

MSPO CERTIFICATION SUMMARY REPORT

QUEK BROTHERS PLANTATION COMPANY

STAGE 2 – CERTIFICATION AUDIT

Date: 01/11/2019

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Company Name: Quek Brothers Plantation Company

Certifying Unit: Quek Brothers Plantation Company

Client Number: 92-108

Audit Type: Stage 2 - Certification Audit



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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
QBPC	Quek Brothers Plantation Company

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1. INTRODUCTION

Quek Brothers Plantation Company has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct an initial certification audit for its Quek Brothers Plantation 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 stage 2 certification audit is to assess the estates by an independent certification body with the aim for compliance of the standards.

1.2. Scope

The certification is based on the documentation developed by the estates.

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

The documents and information are reviewed against the requirements and criteria based on MSPO 2530-3:2013 Part 3 General principles for 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 trainee team leader and one team members. The audit team members contributed to the review of documents, the assessment of the project activity and to the preparation of this report.

Qualification of the trainee 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; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	Bachelor in Medical Science.

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Requirement	Qualifications
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)	Lead Auditor (trainee) in training with 3 years working experience in QA, QMS and internal audit, 8 month in medical field and 1.5 years in MSPO audit experience.
Successfully completed MS 2530 series of standards training	Successfully complete MSPO LA training, RSPO P&C LA, SCC and ISCC-EU training course.
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.	LA in training for MSPO scheme with 10 man-days under the supervision of a qualified Lead auditor for MSPO.
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language.	Able to communicate in English, Chinese and Bahasa Malaysia.
Field working experience in the palm oil sector, or demonstrable equivalent	Qualified MSPO auditor. Have been conducting audit for both MSPO and RSPO
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Qualified as auditor for MSPO and RSPO scheme.
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 18001 or Occupational, Health & Safety Assurance System	Successfully completed ISO 45001:2018 Lead Auditor course.
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes	Successfully completed Basic SA 8000 training. Qualified as auditor for MSPO scheme.
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Successfully completed ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.

Qualification of Team Members

Requirement	Assessor	Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life	Muhammad Khairul Anuar bin Azizul Hasan	Graduate in Applied Science (Major in Plantation and management)	Yes

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Requirement	Assessor	Qualification	Compliance
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			
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)	Muhammad Khairul Anuar bin Azizul Hasan	7 years working experience in oil palm plantations.	Yes
Successfully completed MS 2530 series of standards training	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed MS2530 2013 LA series training.	Yes
Conducted a minimum six (6) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Muhammad Khairul Anuar bin Azizul Hasan	LA in training for MSPO scheme with 15 man-days under the supervision of a qualified Lead auditor for MSPO.	Yes
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language.	Muhammad Khairul Anuar bin Azizul Hasan	Able to communicate in Bahasa Malaysia and English.	Yes
Field working experience in the palm oil sector, or demonstrable equivalent	Muhammad Khairul Anuar bin Azizul Hasan	7 years working experience in oil palm plantations.	Yes
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Muhammad Khairul Anuar bin Azizul Hasan	7 years working experience in oil palm plantations.	Yes
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed IMS 9001, 14001 and 45001 LA course for MSPO.	Yes
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed SA 8000 Basic training and auditor MSPO schemes	Yes

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Requirement	Assessor	Qualification	Compliance
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed IMS 9001, 14001 and 45001 LA course, auditor for MSPO	Yes

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2. METHODOLOGY

The audit approach consists of the following steps:

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

The certification is conducted in two stages in accordance to the certification procedure.

Stage 1 audit:

Stage 1 audit is conducted on 13/05/2019 at the estate that covers desk review activities:

- Background investigation
- Review of documentation established but not limited to below
 - Group Operating Policies
 - Estate maps
 - Land titles
 - Standard Operating Procedures including Agricultural Manual
 - Work Flow Charts
 - Operating licenses and approvals
 - Operating records
 - Training records
 - Applicable Legislation Documents
- Interviews of relevant operation personnel

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- Assessment reporting

Stage 2 audit:

Stage 2 certification audit was conducted on 28/08/2019 to 29/08/2019 covers the following activities but not limited to below:

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

On-site Assessment

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

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

For the stage 2 audit, Quek Brothers Plantation Company has 1 estate. Therefore, no selection required.

Table 2-1: List of Estates Selected

Name of Estate	Coordinates
Quek Brothers Plantation	117°58'22" E 5°54'54" N

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

Quek Brothers Plantation Company is an oil palm plantation company located at Sungai Manila, Sandakan, Sabah.

The details of the Quek Brothers Plantation Company estate as below:

Name of Estate	Location	Coordinates
Quek Brothers Plantation	Batu 12, Jalan Labuk, KG Jawa Satu, Rancangan SG. Manila, Sandakan	117°58'22.8" E, 5°54'54.0" N

3.1. Production volume

Name of Estate	Area (Ha)		Production Jan – Jul 2019 (mt)	Projected FFB Production (mt) August 2019 to December 2019
	Total*	Planted**		
Quek Brothers Plantation Company	67.10	67.00	677.58	355
Total	67.10	67.00	677.58	355

*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	Quek Brothers Plantation (ha)	Remark
1984 - 1999	67.10	First planting
2018	7.65	First Replanting
Total Mature	59.45	
Total Immature	7.65	

3.3. Replanting program for each estate

Year of replanting	Total area to be replanted (ha)	
2020	16.47	16.47
2021	15.79	15.79
2022	10.18	10.18
2023	10.10	10.10
TOTAL	52.54	52.54

3.4. Maps of Company Location and Plantations

Figure 1: Quek Brothers Plantation

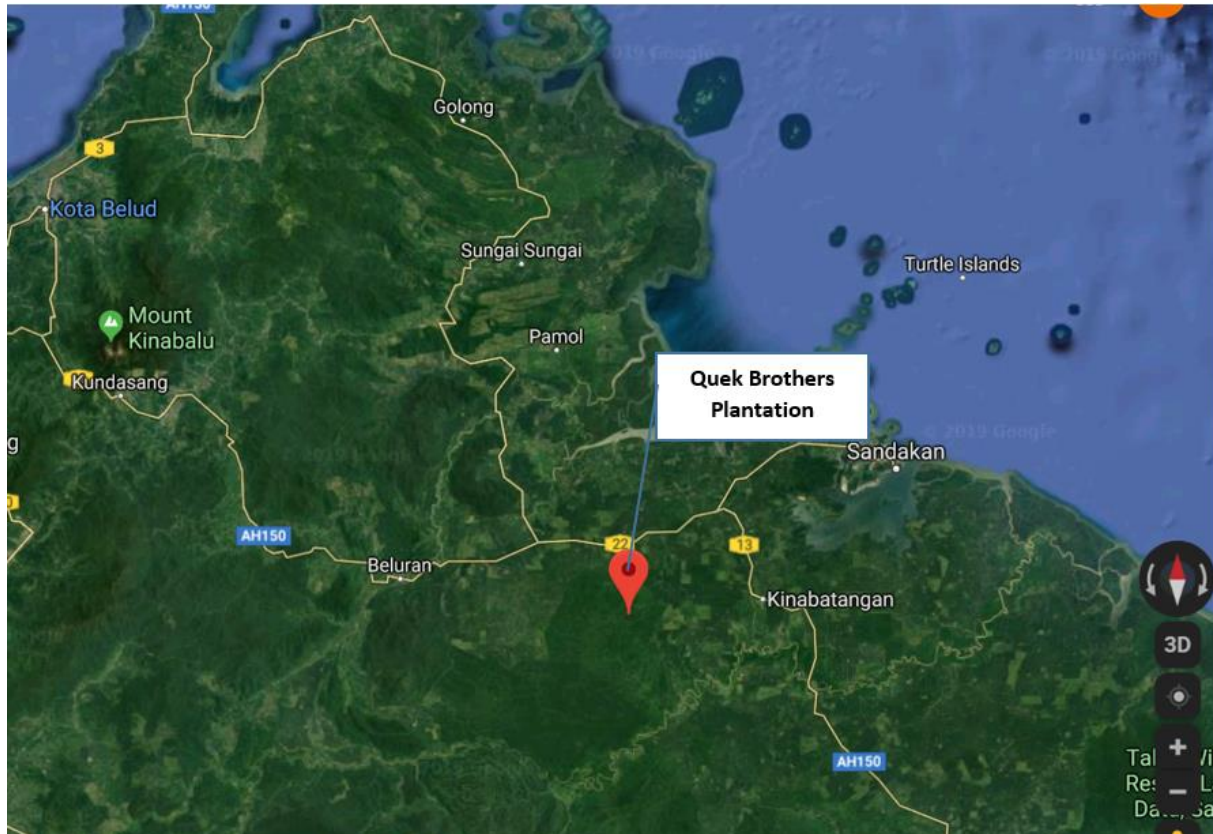
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4. CERTIFICATION ASSESSMENT

4.1. Stage 2 Certification Audit

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. Stage 1 Audit:

The objective of the stage 1 audit is to assess the readiness of the documentation established and implemented in accordance to MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

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

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

These organization shall undergo both Stage I and II audit

Quek Brothers Plantation Company does not has any certification, therefore, has to undergo Stage I audit.

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

The Stage I audit is conducted on 13/05/2019 at EMPA office covering the following activities:

- Onsite interviews and inspections;
- Review of documentation for compliance to relevant P & C requirements for plantation and mill;
- Reporting of findings found during Stage I audit;

4.1.2. Stage 2 Certification audit:

The Stage 2 certification audit is conducted on 28/08/2019 to 29/08/2019 covering estates – Quek Brothers Plantation Company.

During the Stage 2 audit, there are 0 Major, 1 Minor, 6 Opportunities for Improvement (OFI) are raised. Action plan is submitted for Minor non-conformance with implementation review during the next audit.

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

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

4.2. Stakeholders' Consultation

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 24/07/2019 as to accommodate stakeholder's consultation meeting for Quek Brothers Plantation Company to provide comments. As at audit date on 28/08/2019 - 29/08/2019 there are no comments received.

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Invitation letters are sent on 24/07/2019 to invite relevant stakeholders to attend a local stakeholders' consultation on 28/07/2019 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

The topics of discussion are as below:

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

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

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

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

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

Items	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from Company as regards to the MSPO audit?	Stakeholders confirmed they are aware of the MSPO audit through invitation letters and public announcement made by the company.	Positive comments towards Quek Brothers Plantation Company

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Items	Subject discussed	Audit team findings	Company response and proposed action to be taken
2	Social issues	No communities however neighbouring estate attended feedback no social issue.	Positive comments towards Quek Brothers Plantation Company
3	Type of land title – Country Leased, Provisional Leased, Native title	Participants are no local communities, therefore no input to confirm.	No further action required
4	Economy / livelihood Is there any impact on livelihood after the introduction of MSPO?	Stakeholders are not local communities, therefore no comments on this topic.	No further action required
5	Does MSPO largely benefits the local community?	Stakeholders are not local communities, therefore no comments on this topic.	No further action required
6	Environmental understanding	Stakeholders are not local communities, therefore no comments on this topic.	No further action required
7	Awareness towards species, habitats, and high conservation values	Stakeholders are not local communities, therefore no comments on this topic.	No further action required
8	Are there any plantation management practices that affect you?	Neighbouring estate representative attended confirmed there are no issues regarding any estate activities that affect them.	Positive comments towards Quek Brothers Plantation Company
9	Do you consider any management is in conflict with the MSPO principles and criteria?	Stakeholders commented there should be no conflict by the management.	Positive comments towards Quek Brothers Plantation Company
10	Do you have any suggestions for management?	Stakeholders have no suggestions for management.	No further action required

4.3. Summary of Assessment

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

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.1.1	<p>Quek Brothers Plantation Company (QBPC) established MSPO Policy dated 25/02/2019 signed by Managing Director.</p> <p>The policy statement includes commitment to continual improvement in sustainability practices.</p> <p>MSPO policy displayed at the notice board and available in English and Bahasa Malaysia language.</p> <p>Policy briefing conducted on 15/08/2019 for all workers.</p> <p>Interviews with workers indicates they understand on the MSPO policy.</p>	Yes
4.1.1.2	<p>The MSPO policy dated 03/03/2019 states the commitment to continual improvement in sustainability practices.</p>	Yes
4.1.2.1	<p>QBPC established SOP Internal Audit dated 25/06/2019.</p> <p>The procedure states the internal audit will be conducted before management review and conduct once per year.</p> <p>Onsite internal audit conducted 29/03/2019, result of internal audit indicates there are non-conformities and closed out in April 2019.</p>	Yes
4.1.2.2	<p>QBPC established SOP Internal Audit dated 25/06/2019.</p> <p>Internal audit result review has identified weak points and close out on April 2019.</p> <p>Weak point: No signage and label, no training for chemical handling Status: close out on 29/04/2019</p>	Yes
4.1.2.3	<p>Internal audit result is reported at management review meeting dated 10/04/2019.</p>	Yes
4.1.3.1	<p>QBPC established Management Review Procedure dated 27/06/2019.</p> <p>The procedure states management review will be conducted once per year.</p> <p>Review on management review meeting minutes dated 10/04/2019 include internal audit result and plantation issues.</p>	Yes
4.1.4.1	<p>Continual Improvement Plan (CIP) establish dated 30/04/2019.</p> <p>Topic includes social and environment.</p> <p>Example:</p> <p>Social</p> <p>CIP: Worker living condition.</p> <p>Action: Living quarter maintenance.</p> <p>Expected outcome: improve worker living condition</p> <p>Timeframe: On-going</p> <p>PIC: Estate manager</p> <p>Status: on-going repair and maintenance</p> <p>Onsite observation indicates housing is in good maintenance.</p>	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.4.2	<p>QBPC has new practices and new technology procedure dated 27/06/2019.</p> <p>The procedure states when the is any new information or technology to ne implemented estate person in charge will conduct evaluation and considered based on company budget. after confirm apply will conduct training to worker and monitoring and record will be recorded.</p> <p>No new techniques or new technology used currently.</p>	Yes
4.1.4.3	<p>QBPC has new practices and new technology procedure dated 27/06/2019.</p> <p>The SOP describes process for implementation of new technology.</p> <p>The procedure includes training that will be conducted for implementation of any new technology or techniques.</p>	Yes

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>QBPC has established the Consultation and Communication procedure dated 09/08/2019.</p> <p>The procedure states the way of communication between the stakeholder and QBPC</p> <p>Stakeholder list established dated 14/08/2019 include local communities, government agencies, NGO, supplier, contractors and collecting center.</p> <p>Estate manager interview confirmed the stakeholder list will be updated annually before stakeholder meeting.</p> <p>Stakeholders meeting minutes conducted on 14/08/2019 include SOP Consultation and Communication. The minutes indicate one stakeholder is request for MSPO certificate copy from QBPC.</p> <p>Interviews with workers indicates they are aware of the procedure.</p>	Yes
4.2.1.2	<p>QBPC established Publicly Available Document list dated 19/08/2019.</p> <p>The list states documents can be shared with stakeholders.</p> <p>The list is presented during stakeholder meeting dated 14/08/2019.</p> <p>Interview with workers indicate they understand on information request and the list is brief on 15/08/2019. No request from worker based on interview feedback and document review.</p>	Yes
4.2.2.1	<p>QBPC has established the Consultation and Communication procedure dated 09/08/2019.</p> <p>The procedure states the method of communication with stakeholders.</p> <p>The stakeholders are brief on 14/08/2019 during stakeholders meeting.</p> <p>Workers have been briefed on this procedure on 15/08/2019.</p>	Yes
4.2.2.2	<p>Appointment letter dated 29/04/2019 is review. The appointed person to communicate with stakeholders and in charge of traceability is the estate manager.</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.2.3	QBPC established stakeholders list dated 14/08/2019. Stakeholders meeting minutes dated 14/08/2019 has one stakeholder request for certification detail after QBPC certified for MSPO. Interview with management the information request by the stakeholder will be provided after certification is granted.	Yes
4.2.3.1	QBPC established the procedure of FFB traceability dated 09/08/2019. Procedure includes the record as follows: <ul style="list-style-type: none">- Delivery chit.- Weighing bridge ticket.- Monthly FFB record. Procedure states the record of traceability will be kept for minimum retention of 5 years or otherwise specified.	Yes
4.2.3.2	QBPC established the procedure of FFB traceability dated 09/08/2019. The estate manager inspects the documents on a monthly basis. Further verification on the traceability record on July 2019.	Yes
4.2.3.3	QBPC established the procedure of FFB traceability dated 09/08/2019. The procedure states managing partner / manager is responsible to implement and maintain the system.	Yes
4.2.3.4	QBPC established the procedure of FFB traceability dated 09/08/2019. The procedure states the records of traceability will be kept for minimum retention of 5 years or otherwise specified. Review on the traceability records such as delivery chits, weighbridge tickets, and monthly FFB records the unique identification number in delivery chit is stated in the weighbridge ticket and FFB records.	Yes

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	QBPC established legal register and list of licenses and permits dated 05/03/2019. Example: <ul style="list-style-type: none">1. Malaysia Palm Oil Board Act 1998 (Act 582)2. Sabah Labour Ordinance (Sabah Cap67).3. Business license validity from 11/12/2018 till 31/12/2019.4. MPOB license validity from 01/12/2018 till 30/11/2019.	Yes
4.3.1.2	QBPC established legal register dated 05/03/2019 that include applicable laws and regulations.	Yes
4.3.1.3	The legal register is establish dated 05/03/2019.	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	Interview with managing partner / manager confirmed the list will be updated as and when any revision or update announcement from website or public announcement.	
4.3.1.4	The person appointed for updating legal documents, regulations, and licenses is the managing partner / manager.	Yes
4.3.2.1	QBPC land titles are country leased issue by Sabah Land Authority. Type of activity states no special terms. Land title tenure is 99 years.	Yes
4.3.2.2	Land titles are country leased and issued by Sabah land authority. Land use rights state no special terms. Land title tenure is 99 years.	Yes
4.3.2.3	The land title includes map stating the total area with boundary stone numbering. During site verification, boundary marker number is verified.	Yes
4.3.2.4	No dispute from previous owners since the land titles are country or provisional leased issued by Sabah Land Authority.	Yes
4.3.3.1	QBPC land titles are country leased issued by Sabah Land Authority. No customary land titles listed in the summary of land titles.	Yes
4.3.3.2	There is no customary right land leased or owned by QBPC. Therefore, no maps established.	Yes
4.3.3.3	There is no customary land leased or owned by QBPC. 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	QBPC has established Social Impact Assessment dated 29/03/2019 that include positive and negative impacts. Minor NC 1. The monitoring plan is not established to promote positive and mitigate the negative. 2. The survey is not comprehensive that the neighbour estate surrounded is not included.	No
4.4.2.1	QBPC has established grievance procedure dated 29/04/2019. The procedure is displayed at the estate notice board. Procedure states; - All complaints must be writing in forms - All complaints to be recorded and review by the management	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions			
Indicator	Summary of Assessment		Compliance
	The grievance procedure states complaint will be responded within 7 working days.		
4.4.2.2	<p>QBPC established procedure to resolve any complaints received.</p> <p>The procedure describe;</p> <ul style="list-style-type: none"> - Solutions through appropriate informal method prior to the use of formal processes and aim to achieve a mutually acceptable resolution - The company will respond within 7 working days <p>Review on complaint file and complaint box, there is no complaint received from January 2019 until audit date.</p>		Yes
4.4.2.3	<p>Complaint form is available at the estate.</p> <p>Interviewed with workers they are aware of complaint form. Stakeholders are briefed on the procedure on how to lodge a complaint and complaint form provided during consultation on 14/08/2019.</p>		Yes
4.4.2.4	<p>Briefing on complaint and suggestion conducted on 15/08/2019 for workers.</p> <p>Sighted in the stakeholders meeting on 14/10/2019 includes briefing on complaint and suggestion.</p>		Yes
4.4.2.5	<p>Complaint record is review. There is no complaint received in year 2019 until the audit date.</p>		Yes
4.4.3.1	<p>QBPC engage local contractor for FFB delivery..</p> <p>Sighted contract agreement between management and contractor.</p>		Yes
4.4.4.1	<p>QBPC established Safety and Health policy dated 29/04/2019.</p> <p>The policy is displayed at the notice board.</p> <p>Sighted briefing to stakeholders on safety policy dated 14/08/2019 and workers conducted on 21/07/2019.</p>		Yes
4.4.4.2	a	<p>Safety and health policy is displayed at the notice board.</p> <p>Interviewed workers they understanding on safety and health..</p>	Yes
	b	<p>HIRARC is establish dated 07/07/2019 include all estate operations.</p> <p>The HIRARC table consists of;</p> <ul style="list-style-type: none"> - Activity - Hazard - Risk and effect - Existing control - Risk assessments - Risk control proposal <p>Example of HIRARC for following activity</p>	

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Principle 4: Social Responsibility, health, safety and employment conditions			
Indicator	Summary of Assessment		Compliance
		<ul style="list-style-type: none"> - Harvesting - Manuring - Spraying 	
	c i	Training on safe working practices in the estate conducted on 21/07/2019. Sighted attendance records signed by the workers.	
	c ii	SDS displayed at the Fertilizer store and Chemical store Example SDS for chemical Kenly 20, Herbicide dated 15/10/2014.	
	d	Workers are provided with appropriate PPEs for the work activities. Sighted PPE issuance records dated 24/08/2019 for helmet, apron, hand glove, mask and goggle. Sighted in the HIRARC report, PPEs for chemical handling are rubber hand glove, mask, goggle, apron and boots.	
	e	QBPC adopts the SDS for handling of chemicals and storage. Chemical health Risk Assessment dated 22/06/2019 and completion on 23/07/2019. The CHRA report is valid for 5 years.	
	f	QBPC appoints Estate In Charge as person in charge for safety and health. Sighted the appointment letter dated 29/04/2019. Position: Estate In Charge	
	g	QBPC has 6 workers this below DOSH requirements for 40 workers. Therefore not required to conduct regular quarterly meeting. QBPC has conducted meeting on safety and health on 21/07/2019. The meeting has includes topics of accidents and injury. Review on accidents and injury record, sighted there is no issue occur in year 2019.	
	h	QBPC has established emergency response plan dated 02/05/2019. The ERP is display at the notice board with contact number for any emergency situation. Interview workers are aware of emergency procedure and instructions	
	i	First aid kit is available at the worksite. Certificate of participation on First Aid and Introduction on CPR dated 23/06/2019. First aider appointed is the mandore. Contact number of first aider is available at the notice board.	
	j	Accident and injury records form is established. There is no record of accident and injury found as at audit date. JKKP registration is in process.	

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.1	<p>QBPC has established Social policy dated 29/04/2019.</p> <p>The policy is displayed at the notice board.</p> <p>Policy states.</p> <ul style="list-style-type: none"> To ensure employees are treated with dignity and respect. To prevent and remediate all form of harassment and abuse and unlawful or unethical discrimination. To respect all company employee regardless of their race, gender and religion. Respect employees that have right and freedom to form or join trade union. To provide working environmental working environmental that is free from sexual harassment and violence for both workers and visitor. <p>QBPC has conducted briefing on social policy on 29/03/2019 to the workers.</p> <p>Interviewed with workers are aware of policy.</p>	Yes
4.4.5.2	<p>QBPC has established Social policy dated 29/04/2019.</p> <p>Policy states.</p> <ul style="list-style-type: none"> To prevent and remediate all form of harassment and abuse and unlawful or unethical discrimination. To respect all company employee regardless of their race, gender and religion. <p>Interviewed with workers indicates there is no discriminatory presence within the estate.</p>	Yes
4.4.5.3	<p>QBPC pays workers according to minimum wage order 2018 of RM1,100.00 / month or RM42.31/day.</p> <p>Workers payment voucher is review duly signed and wage paid is according to the minimum wage regulation 2018.</p> <p>Workers on piece rated, the rates are determine based on palm age that duly agreed by workers.</p> <p>Example</p> <p>Harvesting and loading rate for block 4 is higher than block 2 and 3.</p>	Yes
4.4.5.4	<p>QBPC monitors payment of contractor worker from payments voucher.</p> <p>Sighted payment voucher of contractor worker dated 31/07/2019 is above minimum wages order 2018..</p> <p>Contract agreement between QBPC and contractor is established dated 01/06/2019 signed by both parties.</p>	Yes
4.4.5.5	<p>QBPC established a summary list of workers that contain name, nationality, gender, date of birth, date of entry, job description, wage and period of employment.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.6	<p>QBPC has established contract agreement duly signed by both workers and management.</p> <p>The employment conditions are describe in the contract agreement and in accordance to Sabah Labour Ordinance.</p> <p>Example:</p> <p>Working hours and breaks, overtime, work instruction, public holiday, notice of termination, contract price and medical.</p>	Yes
4.4.5.7	<p>QBPC use the check roll book to monitor daily attendance of workers.</p> <p>Working hours is displayed at the notice board.</p> <ul style="list-style-type: none"> - Working time: 07:00 am to 03:00 pm - Rest time: 11:00 am to 12:00 noon <p>Contract agreement states overtime after 3:00pm onwards the rate will be 1.5 hourly rate.</p> <p>Review on payment records and interview with workers, there is no overtime conducted..</p>	Yes
4.4.5.8	<p>Working hours and breaks is displayed at the notice board.</p> <ul style="list-style-type: none"> - Working time: 07:00 am to 03:00 pm - Rest time: 11:00 am to 12:00 noon <p>The working hours is in accordance to Sabah Labour Ordinance.</p>	Yes
4.4.5.9	<p>Wages of workers is documented in the payment voucher.</p> <p>Example of payment voucher Total wage for month of July 2019 for harvester is above the minimum wage..</p> <p>All workers are paid on piece rate basis. The wages paid above minimum wage order 2018..</p>	Yes
4.4.5.10	<p>QBPC provides social benefits in accordance to Sabah Labour Ordinance such as harvesting incentives, free housing, medical, electricity, annual and medical leave as listed in the contract agreement.</p>	Yes
4.4.5.11	<p>QBPC has adopted the industry best practices for workers housing quarters.</p> <p>The facilities provided such as:</p> <p>Vegetable gardening area</p> <p>Recreational area</p>	Yes
4.4.5.12	<p>QBPC established Social policy dated 29/04/2019.</p> <p>Policy states.</p> <ul style="list-style-type: none"> • To provide working environmental working environmental that is free from sexual harassment and violence for both workers and visitor. • To prevent sexual harassment and violence against women workers and other community. 	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>The social policy is display at the notice board.</p> <p>QBPC has conducted briefing on social policy on 29/03/2019 to the workers.</p> <p>There is no complaint on sexual harassment sighted in the complaint file.</p> <p>Interview with workers in the field, no sexual harassment issue raised..</p>	
4.4.5.13	<p>QBPC has established Social policy dated 29/04/2019.</p> <p>Policy states.</p> <ul style="list-style-type: none"> Respect employees that have right and freedom to form or join trade union. <p>QBPC has conducted briefing on social policy dated 29/03/2019 to the workers.</p>	Yes
4.4.5.14	<p>QBPC established MSPO policy dated 03/03/2019 includes the minimum age of workers.</p> <p>Stated in the policy: Employees age of 18 and older We shall ensure that no child or young person are employed pursuant to children and young persons (employment) Act 1966.</p> <p>Review on list of workers and site observation, there is no child or person below than 18 years working in the estate.</p>	Yes
4.4.6.1	<p>QBPC established training program for year 2019. The plan has describes training to be conduct to the workers.</p> <ul style="list-style-type: none"> Safety and health (field operation) Handling of chemical and fertilizer PPE / fire extinguisher First aid Environment <p>Time frame to complete the training is in October 2019.</p>	Yes
4.4.6.2	<p>QBPC has established training need analysis dated 15/08/2019. Sighted in the training need analysis is, every training conducted is based on job description.</p> <p>Training based on consideration of safety and health and environment.</p> <p>Example: training for first aid kit conducted to the relevant person in charge only.</p>	Yes
4.4.6.3	<p>QBPC has established continuous training program dated 16/08/2019 for all workers.</p>	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>QBPC has established Environmental Policy dated 29/03/2019.</p> <p>The policy describes;</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services				
Indicator	Summary of Assessment			Compliance
	<ul style="list-style-type: none">- Commitment to minimizing the environmental impact- Importance of conserving natural resources- Comply to applicable laws and regulation- Zero burning practices- Implantation of good agricultural practices- Prohibiting of hunting activities <p>QBPC established the environmental management plan 29/04/2019.</p> <p>Briefing on Environmental Policy conducted on 10/07/2019</p> <p>Environmental policy is displayed at the notice board.</p>			
4.5.1.2	a	Environmental policy established dated 29/04/2019.		Yes
	The policy describes the objective: Committed to minimize the environmental impact of its operations and understand the importance of conserving natural resources. We shall strive to promote environmental improvement wherever practical that will ensure a sustainable development.			
	b	QBPC established waste identification, environmental impact, mitigation and continuous improvement plan dated 29/04/2019.		Yes
	The analysis has describes aspect and impact for the following; Field operation, upkeep operation, stores and housing areas.			
	Example:			
	No	Aspect	Environmental impact	Actions plan, monitoring and continuous improvement programme
	1.	Empty chemical container	Pollution of water source, harmful to human and animals if use for water and food	Empty containers to be triple rinsed (punctured if no collected by approved and licensed authority
4.5.1.3	QBPC established waste identification, environmental impact, mitigation plans and continuous improvement plan dated 29/04/2019.			Yes
Example:				
No	Waste produce / pollutions	Negative impact	Actions plan, monitoring and continuous improvement programme	
1	Empty chemical containers	Pollution of water source, harmful to human and animals if use for water and food	Empty containers to be triple rinsed (punctured also if no collected by approved and licensed authority	

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.4	<p>QBPC established EMP dated 29/04/2019. The EMP describes the positives impact and action plan to promote.</p> <p>Positive Impact: Minimize use of plastic bags</p> <p>Action Plan: Educate / training the employees to reduce the use of plastic bags.</p> <p>Sighted in the CIP dated 30/04/2019 on environment aspect states;</p> <ul style="list-style-type: none"> - Reduce house hold waste / recycle waste - No pollution to environment 	Yes
4.5.1.5	<p>Training program for environmental established dated 16/08/2019.</p> <p>Briefing on Environmental Policy conducted on 10/07/2019</p>	Yes
4.5.1.6	<p>Briefing on Environmental Policy conducted on 10/07/2019 and the frequency is once a year</p> <p>Sighted workers attendance for the briefing record.</p>	Yes
4.5.2.1	<p>QBPC electricity usage is from the grid. Sighted base line values for year 2017 and 2018</p> <p>Usage of electricity from the grid is closely monitored.. Example: Usage of electricity from January to June 2019 is monitored.</p>	Yes
4.5.2.2	<p>QBPC has established 3 years baseline value for electricity usage for the housing and office.</p> <p>Records of monthly usage is compared against the baseline value.</p>	Yes
4.5.2.3	<p>There is no renewable energy used within the estate.</p>	Yes
4.5.3.1	<p>QBPC established wastes generated dated 29/04/2019.</p> <p>Waste generated is identified on type of waste such as solid, liquid and gases</p> <p>All waste products and sources of pollution identified is documented in the establish table.</p>	Yes
4.5.3.2	<p>a QBPC established records of waste produced identifying the source and disposal method.</p> <p>Example:</p> <p>Waste identifications: Rotten bunches</p> <p>Source: Palm/harvesting area</p> <p>Location: fields</p> <p>Disposition method: mulching</p>	Yes
	<p>b QBPC identify wastes generated that could be reduce, reuse of re-cycle.</p> <p>Example:</p>	

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Principle 5: Environment, natural resources, biodiversity and ecosystem services																				
Indicator	Summary of Assessment			Compliance																
		Waste identification: palm pruned fronds Source: plantation Location: pruning field Disposal method: applied to frond stacking. This activity to moisturize the soil and decomposed as organic fertilizer. Site verification at field indicate the practice has been implemented.																		
4.5.3.3	QBPC established SOP Chemical mixing, Chemical storage, Chemical application, dated 29/04/2019 SOP in pictorial for disposal of used chemical. Records of empty containers collected is sighted. 6 empty chemical containers collected by Ever Green Company dated 02/07/2019..			Yes																
4.5.3.4	Sighted pictorial SOP for Disposal of Chemical established dated 29/04/2019. The SOP describes triple rinse all the empty chemical containers before reuse. Rinsed water from the chemical container is re-use back for chemical spraying activities.			Yes																
4.5.3.5	QBPC dispose the domestic wastes collected by local town council. Some domestic wastes can be recycled and use as fertilizer for vegetable and fruit trees planted by employees. There is no landfill established for disposal of domestic waste.			Yes																
4.5.4.1	QBPC has established 'wastes produced records' dated 29/04/2019. Type of wastes identified. Gaseous waste, Solid waste and Solid waste. <table><tr><td>Type of waste</td><td>Source</td><td>Disposal</td><td>Treatment</td></tr><tr><td>Gases</td><td>Vehicles</td><td></td><td>Engine off during loading of FFB</td></tr><tr><td>Solid</td><td>Chemical container</td><td>Collected by 3rd party contractor</td><td>Triple rinse</td></tr><tr><td>Liquid</td><td>Spillage of mixing pesticides</td><td>Collect back from drum</td><td>Cleaning using spill kit</td></tr></table>			Type of waste	Source	Disposal	Treatment	Gases	Vehicles		Engine off during loading of FFB	Solid	Chemical container	Collected by 3 rd party contractor	Triple rinse	Liquid	Spillage of mixing pesticides	Collect back from drum	Cleaning using spill kit	Yes
Type of waste	Source	Disposal	Treatment																	
Gases	Vehicles		Engine off during loading of FFB																	
Solid	Chemical container	Collected by 3 rd party contractor	Triple rinse																	
Liquid	Spillage of mixing pesticides	Collect back from drum	Cleaning using spill kit																	
4.5.4.2	QBPC established EMP includes action plan to reduce the pollutants and emissions Example; smoke emission from FFB lorry. Action plan; To off engine during loading FFB process.			Yes																

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Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Indicator	Summary of Assessment		Compliance
4.5.5.1	a	QBPC water source is from the government Jabatan Air Negeri Sabah. Water usage is for domestic consumption and drinking.	Yes
	b	Site verification and interview with workers indicate there is no river or stream within the estate. QBPC use water supply form Jabatan Air Negeri Sabah. Water usage is monitored through monthly bill from Jabatan Air Negeri Sabah..	Yes
	c	Chemical container washing and rinsing water is recycle for pre-mix usage. For domestic and general usage, water from Jabatan Air Negeri Sabah. Piping system are in good condition during inspection at housing and facilities area.	Yes
	d	Site verification and interview with workers there is no river or stream, riparian or buffer zone sighted. Field drains are maintain to ensure proper water flow. Workers are brief during morning muster roll call.	Yes
	e	Site verification and interview with workers there is no river or stream, riparian or buffer zone sighted within the estate. Therefore no plans required	Yes
	f	Site verification and interview with workers indicate there is no bore well sighted within the estate.	Yes
4.5.5.2	Site verification and interview with workers indicate there is no river or stream within the estate. Thus, no monitoring of outgoing water required..		Yes
4.5.5.3	Rain water harvesting practices is implemented at the labour quarter's area. Rain water collected is for domestic washing and field operation usage..		Yes
4.5.6.1	a	QBPC established the management and monitoring plan of wild life dated 08/09/2019 to manage wild life. The record is displayed on estate notice board and workers are briefed on 10/07/2019. During site interview worker aware on wild life shall be protected and feedback to management when there is wild life sighted in the estate.	Yes
	b	QBPC monitor wildlife in the estate. QBPC establish monitoring checklist of biodiversity dated 01/08/2019 for worker and stakeholders to fill up once observed any wildlife in the estate. The list is displayed at notice board.	

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Example of wildlife: Wild boar.	
4.5.6.2	<p>a QBPC established the plan 'Bersama – sama Memerangi Pemburuan Haram'.</p> <p>The plan include the Wildlife Department guideline such as hunting protected animal penalty.</p> <p>The plan is displayed on notice board.</p> <p>During site interview, workers aware of the wildlife conservation and confirmed they will feedback on animal observe in estate to the management.</p> <p>b QBPC established Environment Policy dated 29/03/3019 states company committed to minimizing the environmental impact of its operations and understands the importance of conserving natural resource.</p> <p>Point 1 Complying with all applicable environmental laws and regulation.</p> <p>Point 7 No hunting of wildlife is encouraged inside the plantation.</p> <p>The pictorial wildlife list is displayed at notice board.</p> <p>Signage of no hunting has been installed at estate to make sure that no illegal hunting. There is no human-wildlife conflict evidence in the estate.</p> <p>Workers are brief on wildlife conservation dated 10/07/2019.</p>	Yes
4.5.6.3	<p>QBPC establish monitoring records to monitor wildlife in and around the estates.</p> <p>Monitoring record dated 01/08/2019 is review.</p>	Yes
4.5.7.1	<p>QBPC established Environment policy dated 29/03/2019 signed by Management.</p> <p>The policy describe implement zero burning on all oil palm cultivation activities, there will be no open burning in the estate.</p> <p>Onsite observation on replanting area no sign of open burning.</p>	Yes
4.5.7.2	<p>QBPC follow the field handbook, vol. 2, series number: ISBN 981-04-1433-1 as a guideline to treat crop with diseased.</p> <p>QBPC practice felled or chipped down oil palm when there is any diseased occur.</p> <p>There are no serious palm diseases sighted during the field visits that require burning. Therefore, no special approval application for open burning from the relevant authorities.</p>	Yes
4.5.7.3	<p>QBPC has establish Environment policy dated 29/03/2019 signed by Management.</p> <p>There are no application documents sighted for controlled burning.</p> <p>During on site verification no open burning activities found.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.7.4	<p>QBPC adopt field handbook for immature oil palm, volume 2 series number: ISBN 981-04-1433-1 as a guideline to conduct new planting and replanting practices.</p> <p>During field visits, the replanted area on Phase 1 in year 2018 where palms are felled and chipped. No sign of burning observed</p>	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>Quek Brother Plantations Company adopts the field handbook as best practice procedure.</p> <ul style="list-style-type: none"> Field handbook oil palm series volume 3, Mature, date September 1998, doc no ISBN:981-04-0862-5 <p>QBPC has established SOP as below:</p> <ol style="list-style-type: none"> SOP Spraying, doc no: 4.6.1-1, dated 20/07/2019. SOP Manuring, doc no: 4.6.1-2 dated 20/07/2019. SOP Harvesting, doc no: 4.6.1-3, dated 20/07/2019. SOP slashing, doc no: 4.6.1-4, dated 20/07/2019. <p>Safe working / SOP training on harvesting, spraying, slashing and manuring conducted on 21/07/2019 for all workers.</p>	Yes
4.6.1.2	<p>QBPC adopt Field handbook oil palm series volume 2 immature dated 1999, doc no: ISBN: 981-04-1433-1 as guidelines for planting at slopes.</p> <p>Page 54 states</p> <p>Terraces of platform are constructed in steeper areas in order to:</p> <ul style="list-style-type: none"> Facilitate effective establishment, maintenance and harvesting of palms. Minimize soil erosion. Reduce rainwater runoff and nutrient losses. <p>Procedure:</p> <p>To prevent erosion, cover plant should be established on slopes as soon as possible after land clearing.</p> <p>On slope <6°, contour bunds of varying configurations can be constructed to control surface water flow and improve water infiltration. Platform may be required in places.</p> <p>Onsite observation and map review indicate no planting at slope and no buffer zone.</p>	Yes
4.6.1.3	<p>QBPC has block marker that states the block number and year of planting.</p>	Yes

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4.6.2.1	QBPC has established business management plan for year 2018 to 2020 dated 29/04/2019. The plan includes the sales and expenditures on FFB, operating expenses, workers' wages, transportation, and etc.	Yes
4.6.2.2	QBPC established replanting program dated 26/08/2019 from year 2020 to 2023.	Yes
4.6.2.3	QBPC established long-term plan & financial projection for year 2019-2021, the plan includes: <ol style="list-style-type: none"> 1. Planting material 2. FFB projection MT. 3. Crop production MT/Ha. 4. FFB Price forecast/MT. 5. Cost-benefit sale & expenditures 	Yes
4.6.2.4	The management plan implemented with the goals and objectives are monitored regularly for profit and loss.	Yes
4.6.3.1	QBPC has purchase chemicals and fertilizer from suppliers. The quotation dated 15/04/2019 indicate the purchase is accepted by both parties.	Yes
4.6.3.2	Purchase chemical from the supplier quotation dated 15/04/2019 sighted and accepted by both parties. The quotation describes product, pricing and payment terms. The invoice sighted with payment paid accordingly.	Yes
4.6.4.1	QBPC engaged a contractor for FFB transportation. 'Oil Palm FFB Transport Agreement' signed by QBPC management and transporter dated 01/06/2019. The agreement includes point as below: <ul style="list-style-type: none"> • The contractor shall comply with all the regulatory requirements in the Malaysian Law and Regulations in his deal with the company. Briefing record review indicate the contractor has been briefed on company policy, procedure and agreement on 27/08/2019.	Yes
4.6.4.2	QBPC engaged a contractor for FFB transportation. 'Oil Palm FFB Transport Agreement' signed by QBPC management and transporter dated 01/06/2019.	Yes
4.6.4.3	QBPC engaged contractor for FFB transportation. 'Oil Palm FFB Transport Agreement' signed by QBPC management and the transporter dated 01/06/2019. The agreement includes below: <ul style="list-style-type: none"> • The contractor agrees to be interview and assessed by Malaysia Sustainable Palm Oil (MSPO) auditors appointed by the company as part the MSPO requirement. Stakeholder consultation with contractor indicates they understand the MSPO requirement.	Yes

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4.6.4.4	The transportation service is monitored by weighing bridge tickets received. Weighing bridge tickets are kept by the management.	Yes
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Principle 7: Develop of New Planting		
Indicator	Indicator	Indicator
4.7.1.1	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate.	Yes
4.7.1.2	Planting statement, estates maps and land titles are reviewed. QBPC first planting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate. The replanted area in 2018 is verified with then planted hectare is below 100ha. Therefore, no PMM required.	Yes
4.7.2.1	Planting statement and estates map are reviewed. There is no peat land in QBPC estate.	Yes
4.7.3.1	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate. Therefore, no SEIA established.	Yes
4.7.3.2	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate. Therefore, no SEIA established.	Yes
4.7.3.3	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate. Therefore, no SEIA established.	Yes
4.7.3.4	There are no smallholders in the certification. Therefore, not applicable.	Yes
4.7.4.1	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate. Therefore, no soil map or soil assessment conducted.	Yes
4.7.4.2	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. Therefore, no new planting in the estate. Therefore, no topography conducted.	Yes
4.7.5.1	Planting statement, estates maps, and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. No new planting in the estate after the year 1999. Therefore, no map established and permits available.	Yes

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4.7.5.2	Planting statement, estates maps and land titles are reviewed. QBPC first planting starting from 1984 – 1999 and first replanting is on 2018. No new planting in the estate after year 1999. Therefore, no plan established.	Yes
4.7.5.3	The planting statement is reviewed and there is no new planting. Therefore, no soil map established.	Yes
4.7.6.1	Planting statement and estate maps are reviewed. There is no new planting in the estate. Thus, no FPIC conducted.	Yes
4.7.6.2	The planting statement is review and there is no new planting. There are no sacred sites, therefore, no management plan establish.	Yes
4.7.6.3	Planting statement and estate maps are reviewed. There is no new planting in the estate. Thus, no SOP established.	Yes
4.7.6.4	The planting statement is review and there is no new planting. Therefore, no compensation and agreement established.	Yes
4.7.6.5	The planting statement is review and there is no new planting. Therefore, no assessment established.	Yes
4.7.6.6	The planting statement is review and there is no new planting. Therefore, no system establish for calculating the compensation for distribution.	Yes
4.7.6.7	The planting statement is review and there is no new planting. Therefore, no compensation plan established.	Yes
4.7.6.8	Planting statement and estate maps are reviewed. There is no new planting in the estate. Thus, no impact to local communities.	Yes

4.4. Status of Non-Conformities Previously Identified

X	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.
	Not applicable. No non-conformity raised in previous audit.
<p><i>Note 1: If a minor non-conformity raised in last audit, is not closed out, then this finding will be re-raised to a Major non-conformity.</i></p> <p><i>Note 2: All minor NCs raise in last audit are required to capture in this report together with the closing of the non-compliance.</i></p>	

4.5. Detail of Audit Findings in last audit

Stage 1 audit findings corrective actions are reviewed during the stage 2 certification audit process.

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4.6. Detail of Audit Findings Identified During This Audit

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

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

Non Conformity Number 1						
Indicator # and Description	4.4.1.1 Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.					
Location:	Estate office					
Description of Finding / Objective Evidence:						
3. The monitoring plan is not established to promote positive and mitigate the negative.						
4. The survey is not comprehensive that the neighbour estate surrounded is not included.						
Classification	<input type="checkbox"/> Major		<input checked="" type="checkbox"/> Minor			
Raise by:	Muhammad Khairul Bin Azizul Hasan	Date Raise:	29/08/2019			
Deadline for implementation		Next surveillance audit				
Root Cause Analysis (by company):						
The company did not included all our neighbours to the stakeholders' meeting / briefing on 14 th Aug 2019, only Koperasi Pembangunan Bersatu Sandakan Berhad was invited but they did not send any representative to our stakeholders meeting and they cannot be briefed on the social and other matters concerning the two companies.						
Correction (by company):						
As Seroi Sdn. Bhd. is the other estate situated across the road, on the eastern side of our estate, we shall write to them (apology for not inviting them to our stakeholders meeting first), explain to them that we are in the process of applying for MSPO certification, and to promote good relationship between the two estates, and how to promote the social and other matters regarding the two estates.						
In the same way, we shall write to only Koperasi Pembangunan Bersatu Sandakan Berhad as well in the same manner.						
Corrective / Preventive Action (by company)						
Writing to Koperasi Pembangunan Bersatu Sandakan Berhad and Seroi, a form regarding social matters will be attached to these two companies for their feedback. Prepare action plan (attached).						
Review of Correction & Corrective / Preventive Action						
Letter of survey and feedback form to neighbouring estates sent on 05/09/2019 with the feedback are reviewed...						
Monitoring plan established to promote and mitigate the negative impact from the survey conducted includes identified positive and negative impact, plan to mitigate the negative impact and time frame. The evidence provided is sufficient to close the NC.						
Further verification will be 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				

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Non Conformity Number 1	
Name of Auditor: Muhammad Khairul Anuar bin Azizul Hasan	Date of Closure: 13/09/2019
Review of Implementation	
Review of implementation in next surveillance audit.	
Name of Lead Auditor / Auditor:	Date of Review:

Nr.	Indicator	Location	Opportunity for Improvement
1	4.2.1.2	Estate office	Management could consider to improve the publicly available document list.
2	4.4.4.2 (b)	Estate office	Management could consider to improve the HIRARC table for monitoring of hazard.
3	4.4.4.2.(j)	Estate office	Management could consider to improve safety and health reporting.
4	4.5.1.3	Estate office	Management could consider to improve on monitoring of negative impact and promote positive.
5	4.5.4.2	Estate office	Management could consider to improve action plan of the significant pollutant and emission established.
6	4.6.1.3	Estate office	Management to consider to improve the block marker.

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5. CONCLUSION

Quek Brothers Plantation Company has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct stage 2 audit for its estate according to MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

There is 0 Major NC raise. 1 minor NC raise, minor non-conformances action plans are submitted and accepted. The implementation of Minor NC(s) 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.

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

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

Total certified number of estates:	1	Estate
Total certified production area:	67.10	Ha
Certified FFBs January to July 2019:	677.58	Mt
FFB projection August to December 2019:	355.00	Mt

6. RECOMMENDATION

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

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

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

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

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

Puchong, 01/11/2019



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

Puchong, 01/11/2019



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

7. LIST OF INTERVIEWEES

Table 7-1: List of Interviewed Persons and Stakeholders

No.	Name	Organisation / Function
1.	Mok Chee Keong	EMPA
2.	Lai kian Hung	EMPA
3.	Wong Vun Chau	EMPA
4.	Lai Nyuk Hiong	EMPA
5.	Samsuddin B. Chaco	Koperasi Pembangunan Bersatu Sandakan Berhad (neighbor estate)
6.	Lee That Sin	Transportation contractor

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

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

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

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

Salvo clause:

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

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

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

Annex / Enclosures

Annex /
corresponding audit documentation

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