



MSPO CERTIFICATION SUMMARY REPORT

HAP SENG PLANTATIONS (RIVER
ESTATES) SDN BHD

TOMANGGONG PALM OIL MILL

ANNUAL SURVEILLANCE 03

Remote Audit Date: 02/11/2020 – 07/22/2020

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Company Name: Hap Seng Plantations (River Estates Sdn Bhd)

Certifying Unit: Tomanggong Palm Oil Mill

Client Number: 92-036

Audit Type: ASA 03`

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
GMP	Good Milling Practices
GPS	Global Positioning System
ISO	International Standard Organisation
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysia Palm Oil Certification Council
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
SDS	Safety Data Sheet
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
WHO	World Health Organization

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1. INTRODUCTION

Hap Seng Plantations (River Estates) Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct Surveillance 03 for its palm oil mill according to MS 2530-4:2013 Part 4 General principles for palm oil mills.

1.1. Objective

The objective of this surveillance audit is to assess palm Tomanggong Palm Oil Mill by an independent certification body with the aim for compliance of the standards.

1.2. Scope

The certification is based on the documentation established by Tomanggong Palm Oil Mill.

The supporting documents 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 2530-4:2013 Part 4 General principles for palm oil mills. 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 of the guidelines applied are checked.

1. Malaysian Sustainable Palm Oil Part 4: General Principles for Palm Oil Mill audit guidance;
2. Palm Oil Supply Chain Traceability Requirements

1.3. Appointment and Qualification of team members

The audit team appointed consists of the team leader and 5 team members. The team contributes to the review of documents, assessment of the project activity and preparation of this report.

Qualification of the Trainee Lead Auditor: Khairul Anwar Bin Ismail.

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

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Requirement	Qualifications
vii) Other relevant related fields	
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	5 years working experience in oil palm plantations
Successfully completed MPOCC endorsed lead auditor training	Successfully completed MS 2530 series standards Lead Auditor training.
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	Qualified as auditor for MSPO scheme. Lead Auditor in training
Good Milling Practices. Palm oil milling working experience or auditing experience	Qualified and appointed as auditor.
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Successfully completed IMS ISO 9001 Lead Auditor course.
Health and safety auditing on the mill processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Successfully completed IMS ISO 45001 Lead Auditor course.
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Successfully completed SA 8000 Basic training.
Environmental and ecological auditing or experience with mill processes and activities. or Successfully completed Environmental Management Systems ISO 14001 standard	Successfully completed IMS ISO 14001 Lead Auditor course.
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia and English.

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Qualification of Team Members

Requirement	Assessor	Qualification	Compliance	
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	Muhammad Khairul Anuar Bin Azizul Hasan	Graduate in Applied Science (Major in Plantation and management).	Yes	
	Chan Shi Lie	Graduate in Technology Media (Major in Broadcasting)	Yes	
	Mohd Nur Amin Bin Mohd Halim	Graduate in Office & Management Technology.	Yes	
	Joseph Sim Siaw Seng	Graduate in Occupational Safety and Health Certificate	Yes	
	Jasmandy Bin Syahrul	Graduate in Plantation Management	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)	Muhammad Khairul Anuar Bin Azizul Hasan	7 years working experience in palm oil estates.	Yes	
	Chan Shi Lie	6 years working experience in oil palm plantations.	Yes	
	Mohd Nur Amin Bin Mohd Halim	6 years 10 months of working experience in both upstream & downstream division on managing sustainability of oil palm industry.	Yes	
	Joseph Sim Siaw Seng	4 years working experience in oil palm plantations.	Yes	
	Jasmandy Bin Syahrul	9 years working experience in oil palm plantations.	Yes	
Successfully completed MPOCC endorsed lead auditor train	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed MS2530 series of standard for Lead Auditors	Yes	
	Chan Shi Lie	Successfully completed MS2530 series of standard for Lead Auditors	Yes	

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Requirement	Assessor	Qualification	Compliance
	Mohd Nur Amin Bin Mohd Halim	Successfully completed MS2530 series of standard for Lead Auditors	Yes
	Joseph Sim Siaw Seng	Successfully completed MS2530 series of standard for Lead Auditors	Yes
	Jasmandy Bin Syahrul	Successfully completed MS2530 series of standard 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.	Muhammad Khairul Anuar Bin Azizul Hasan	Qualified and appointed as auditor.	Yes
	Chan Shi Lie	Qualified and appointed as auditor.	Yes
	Mohd Nur Amin Bin Mohd Halim	Qualified and appointed as auditor.	Yes
	Joseph Sim Siaw Seng	Qualified and appointed as auditor.	Yes
	Jasmandy Bin Syahrul	Qualified and appointed as auditor.	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 plantation.	Yes
	Chan Shi Lie	6 years working experience in oil palm plantations.	Yes
	Mohd Nur Amin Bin Mohd Halim	6 years 10 months of working experience in both upstream & downstream division on managing sustainability of oil palm industry.	Yes
	Joseph Sim Siaw Seng	4 years working experience in oil palm plantations.	Yes
	Jasmandy Bin Syahrul	9 years working experience in oil palm plantations.	Yes
Good Milling Practices for example palm oil milling working experience or demonstrate equivalent.	Muhammad Khairul Anuar Bin Azizul Hasan	Qualified and appointed as auditor.	Yes
	Mohd Nur Amin Bin Mohd Halim	Qualified and appointed as auditor.	Yes

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Requirement	Assessor	Qualification	Compliance
	Chan Shi Lie	Qualified and appointed as auditor.	Yes
	Joseph Sim Siaw Seng	Qualified and appointed as auditor.	Yes
	Jasmandy Bin Syahrul	Auditor in training	Yes
Successfully completed Quality Management Systems (QMS) ISO 9001 standard	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed IMS ISO 9001 LA course.	Yes
	Chan Shi Lie	Successfully completed IMS ISO 9001 LA course.	Yes
	Mohd Nur Amin Bin Mohd Halim	Successfully completed IMS ISO 9001 LA course.	Yes
	Joseph Sim Siaw Seng	Successfully completed IMS ISO 9001 LA course.	Yes
	Jasmandy Bin Syahrul	Successfully completed IMS ISO 9001 LA course.	Yes
Health and safety auditing on the mill processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed and ISO 45001 LA course.	Yes
	Chan Shi Lie	Successfully completed and ISO 45001 LA course.	Yes
	Mohd Nur Amin Bin Mohd Halim	Successfully completed and ISO 45001 LA course.	Yes
	Joseph Sim Siaw Seng	Successfully completed and ISO 45001 LA course.	Yes
	Jasmandy Bin Syahrul	Successfully completed and ISO 45001 LA course.	Yes
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed SA 8000 Basic training and Auditor for MSPO and RSPO scheme.	Yes
	Chan Shi Lie	Successfully completed SA 8000 Basic training and Auditor for MSPO and RSPO scheme.	Yes
	Mohd Nur Amin Bin Mohd Halim	Successfully completed SA 8000 Basic training and Auditor for MSPO and RSPO scheme.	Yes
	Joseph Sim Siaw Seng	Successfully completed SA 8000 Basic training	Yes

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Requirement	Assessor	Qualification	Compliance
		and Auditor for MSPO and RSPO scheme.	
	Jasmandy Bin Syahrul	Successfully completed SA 8000 Basic training and Auditor for MSPO and RSPO scheme.	Yes
Environmental and ecological auditing or experience with mill processes and activities.	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	Yes
or	Chan Shi Lie	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	Yes
Successfully completed Environmental Management Systems ISO 14001 standard	Mohd Nur Amin Bin Mohd Halim	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	Yes
	Joseph Sim Siaw Seng	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	Yes
	Jasmandy Bin Syahrul	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	Yes
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Muhammad Khairul Anuar Bin Azizul Hasan	Bahasa Malaysia and English.	Yes
	Chan Shi Lie	Bahasa Malaysia, English and Mandarin.	Yes
	Mohd Nur Amin Bin Mohd Halim	Bahasa Malaysia and English	Yes
	Joseph Sim Siaw Seng	Bahasa Malaysia, English and Mandarin.	Yes
	Jasmandy Bin Syahrul	Bahasa Malaysia 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 with operational personnel, stakeholders and its contractors; review of documentation;
- Reporting
- Resolution of non-conformance (NC) (if any)
- Draft audit reporting
- Technical review
- Final audit reporting
- Final approval, certification decision and issuance of certificate.

Annual Surveillance 03

Annual Surveillance 03 audit is conducted remotely on 04/11/2020 at mill 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
 - Mill location map
 - Land title(s) – for standalone mills
 - Standard Operating Procedures including Mill Operation Manual
 - Work Flow Charts
 - Management Plans
 - Operating licenses and approvals
 - Operating records
 - Training records
 - Applicable Legislation Documents
- Virtual inspection, observations and inspection of mill facilities and activities

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- Virtual interview operation personnel, operators for understanding for the work assigned;
- Reviewed revised and updated documentation established and implemented;
- Reports established;
- Work plans established;
- Review and closed out of non-conformance raised in last audit;
- Assessment reporting;

Remote Assessment

The audit of the mill is conducted according to the MS 2530-4: 2013 Part 4: General principles for palm oil mills.

The methodology for collection of objective evidences include physical site inspections, observation of tasks and processes; interview workers and operation personnel; review of documentation and data. Checklists and questionnaires are used to guide the collection of information.

This remote audit is conducted in accordance to MPOCC Updated Circular (27 October 2020) Guidance on Remote Audits due to COVID-19 Pandemic on travelling restrictions.

The remote audit follow the IAF MD4:2018 and as guided by the ISO 9001 Auditing Practices Group Guidance on Remote Audits

The communication tool applied for remote audit are Zoom, WhatsApp and Telephone. The document review is based on the soft copy and photos format. The onsite inspection is based on photos and video format.

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 and action plan to be submitted within 30 days from closing date of audit for review and acceptance. Implementation of Minor NC will be reviewed and verified during the next audit.

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3. ORGANISATION INFORMATION

Tomanggong Palm Oil Mill is the subsidiary of Hap Seng Plantations (River Estates) Sdn Bhd located at Off 80km, Jalan Jeroco, Lahad Datu, Sabah, Malaysia

Tomanggong CPO Mill met the Malaysia Palm Oil Board licensing requirements. The mill began operation in 15/03/1963 with an operating capacity of 40 MT per hour

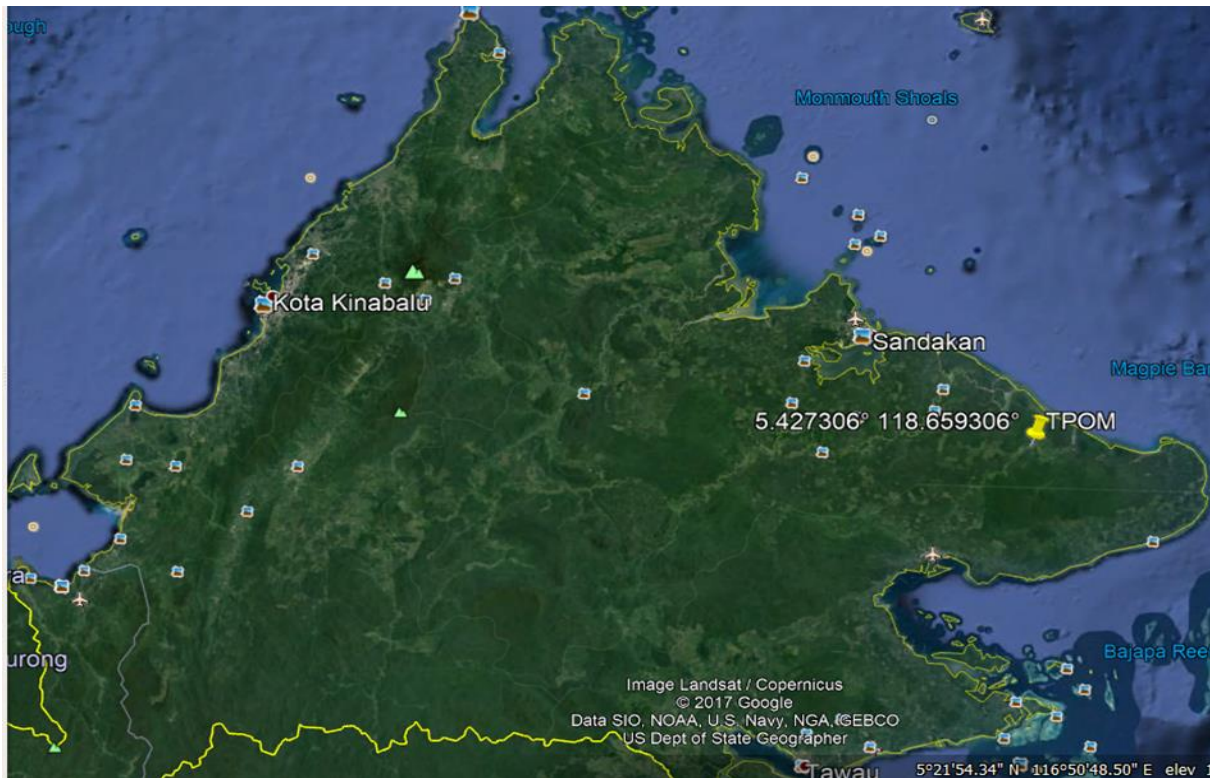
Name of Mill	Location	Coordinates
Tomanggong Palm Oil Mill	Off 80km, Jalan Jeroco, Lahad Datu, Sabah	N 5°25'38.300", E 118°39'33.503"

3.1. Production volume

Volume for the past year Jan 2019 to Dec 2019			Actual volumes Jan 2020 to Sep 2020			Projected volume October 2020 to Dec 2020		
FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
151,603.68	32,729.23	6,861.40	102,139.46	22,054.95	4,362.52	80,321.00	17,926.00	3,846.00

3.2. Mas of Mill Location

Figure 1



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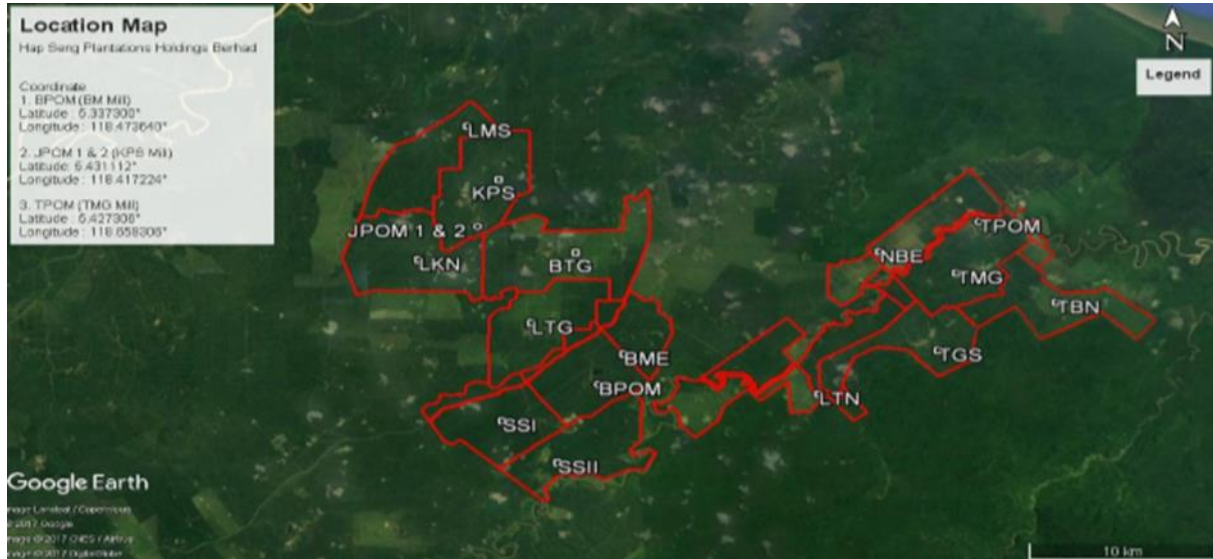
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Figure 2



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4. CERTIFICATION ASSESSMENT

4.1. Annual Surveillance 03

The objective of the audit is to assess the activities of the mill are in compliance with MS 2530-4: 2013 Part 4: General principles for palm oil mills.

4.1.1. Annual Surveillance 03 Audit:

Annual surveillance 03 audit is conducted on 04/11/2020.

During the last surveillance audit, there are 2 Major non compliances and 4 Opportunities for Improvement (OFI) are raised

During this audit, the major non-compliances raised in the last audit, the audit team has review by means of inspection of mill , conduct interviews, review and verify documents that are established, corrected and implemented appropriately by the mill 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 number of audit findings raised in this audit refer to Section 4.6 of this audit 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.

The audit team leader has review the stakeholders' consultation feedback during the last surveillance audit and there are no concerns or complaints or disputes raised or any prior to this audit.

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

4.3. Summary of Findings

Principle and Criteria Assessment Summary

The assessment team conducted a thorough assessment of each principle and criteria. Over the 5 years' period of the certificate cycle, there will be 4 annual surveillance audits where all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-4. The summary of the assessment can be seen 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

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.1.1	<p>TPOM adopted HSPHB group MSPO policy dated 01/10/2019 signed by Chief Executive – Group Plantation and available in Bahasa Malaysia and English.</p> <p>The MSPO policy is publicly available at the mill notice board and company website.</p> <p>Briefing on the MSPO policy conducted on 15/09/2020 to the mill workers.</p> <p>During phone call interviews with workers, they are aware of the MSPO policy.</p>	Yes
4.1.1.2	<p>TPOM adopted HSPHB group MSPO policy dated 01/10/2019 signed by Chief Executive – Group Plantation.</p> <p>The policy states the company committed to continual improvement practice by harnessing its resources of people processes and technology in order to ensure the continuous production of oil palm products in a sustainable manner.</p>	Yes
4.1.2.1	<p>TPOM adopted HSPHB group Internal Audit procedure 'Flowchart for Internal Audit System & Management Review Report' updated on 10/07/2019.</p> <p>Latest internal audit conducted on 30/06/2020 – 01/07/2020 with 5 findings raised.</p> <p>Example:</p> <p>Finding: No rubber mat provided under the main switch board</p> <p>Root cause: To be replaced with new rubber mat</p> <p>Correction: Old floor mat replaced with new mat</p> <p>Corrective action: Ensure floor mat under the switch board are available at all time</p> <p>Review on the main switch board photo, rubber floor mat is available.</p>	Yes
4.1.2.2	<p>TPOM adopted HSPHB group Internal Audit procedure 'Flowchart for Internal Audit System & Management Review Report' updated on 10/07/2019.</p> <p>Internal audit identified the weak point, root cause, correction and corrective action plan.</p> <p>Results of the internal audit are documented.</p>	Yes
4.1.2.3	<p>Results of internal audit were discussed during management review meeting on 09/07/2020.</p>	Yes
4.1.3.1	<p>TPOM conduct management review meeting on 09/07/2020 includes internal audit result.</p> <p>The meeting conducted once a year after the internal audit.</p> <p>The meeting agenda includes:</p>	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<ol style="list-style-type: none"> 1. Follow-Up Actions from Earlier Management Review 2. Sustainability and Adequacy of All SOP's 3. Sustainable Agriculture Policy 4. Results of Internal & External Audit 5. Changes in Legal Requirement of Any Compliance 6. Changes that could affect RSPO/ MSPO/ ISCC/ SCCS Management System 7. Complaints / Customer Feedback (Internal & External) 8. Accident & Injury (LTA) 9. Environmental Quality 10. Waste Management 11. Energy Usage Performance 12. Process Performance and Product Conformity 13. Status of Corrective Actions 14. Recommendation for Improvement 15. Improvement of the Effectiveness of the RSPO/ MSPO/ ISCC/ SCCS and Management System 16. Resources Needed <p>Example: No. 14: Recommendation for Improvement</p> <p>Improvement plan: Biogas Plant will replace the generator as a source of electricity supply to Tomanggong Estate to reduce the diesel usage and GHG value.</p> <p>Due date: 2021</p>	
4.1.4.1	<p>TPOM established Continual Improvement Plan (CIP) updated on 17/08/2020 which includes topics on Social and Welfare, Pesticides, Environmental, Pollution and Emission, Waste Reduction and Safety and Health.</p> <p>CIP table includes improvement action, expected outcome, timeframe, review and monitor, location and responsibility.</p> <p>Example: Pollution and Emissions</p> <ul style="list-style-type: none"> • Improvement action: Polishing plant is to reduce the BOD level below the permissible limit. • Expected outcome: BOD level reduce • Time-frame: On going • Review and monitor: Record of water analysis • Person In-Charge: Mill Manager 	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	Review on the water analysis report, BOD level is below the permissible limit.	
4.1.4.2	<p>TPOM adopted HSPHB flowchart 'Action Plan for New Technology Implementation' dated October 2019 as a system to improve practices in line with new information and techniques or new industry standards and technology.</p> <p>The flowchart states, budget and training will be provided for any new technology implemented.</p>	Yes

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>TPOM adopted HSPHB group procedures for the Stakeholder Consultation Procedure – Group Level and Estate Level / Mill Level dated 30/11/2018.</p> <p>TPOM conducted in Mill Level - Joint Consultative Committee (JCC) meeting dated 23/07/2020 chaired by mill manager to communicate with stakeholders.</p> <p>The agenda includes:</p> <ul style="list-style-type: none"> • Introduction MSPO, RSPO & ISCC. • Introduction Policy and Company Procedure. • Others <p>Reviewed the JCC minute meeting has includes environmental issue, social, safety and COVID-19 Pandemic. The meeting attended by mill managements, mill employees and external stakeholders.</p>	Yes
4.2.1.2	<p>TPOM adopted HSPHB group list of publicly available documents updated on 01/01/2020.</p> <p>Example of documents publicly available are:</p> <ul style="list-style-type: none"> • HSPHB Annual Report • Social Impact Assessment • Water Management Plan <p>Example of confidential documents are:</p> <ul style="list-style-type: none"> • Annual Budget • Business Plan 	Yes
4.2.2.1	<p>TPOM adopted HSPHB group procedures for the Complaint & Grievances Procedure dated 31/3/2018 and "Memohon Maklumat Syarikat" procedure dated 01/01/2020.</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>Reviewed on the Complaint & Grievances Logbook and “Permohonan Maklumat” Logbook, all the complaint, grievances and request are documented and resolve within 30 days.</p> <p>Complaint & Grievances Procedure and “Memohon Maklumat Syarikat” Procedure have been communicated to internal stakeholders and external stakeholders during the stakeholder consultation meeting dated 23/07/2020.</p>	
4.2.2.2	Mill Manager appointed as the person in-charge for communication and consultation dated 15/01/2020.	Yes
4.2.2.3	<p>TPOM established List of Stakeholders dated 01/09/2020 includes government agencies, NGOs, internal stakeholders, local villages, neighboring estates, suppliers and contractors.</p> <p>The Grievances procedure included the timeframe for action to be taken within 30 days for both internal and external stakeholders.</p>	Yes
4.2.3.1	<p>TPOM adopted HSPHB group procedures for Traceability as follows:</p> <ul style="list-style-type: none"> • Chapter 3 “Delivery and Reception of CSFFB, In-House and Non-In-House FFB” updated 15/05/2019. • Chapter 4 “Dispatch of CSPO and CSPK from the mill to the refinery/ bunk transit installation/ buyer’s vessel” updated 15/05/2019. • Chapter 5 “Monitoring of CSPO and CSPK Sales” updated 15/05/2019. <p>Example of documents for receiving FFB, delivery of CPO and PK are:</p> <ul style="list-style-type: none"> • FFB Weighbridge Ticket from mill • CPO & PK Delivery Notes from mill • CPO & PK Weighbridge Ticket from mill • Receiving Note of CPO & PK from refinery 	Yes
4.2.3.2	<p>TPOM adopted HSPHB group procedures for Traceability dated 15/05/2019.</p> <p>Internal audit conducted on 30/06/2020 to 01/07/2020 as a mechanism to inspect the traceability system.</p> <p>Reviewed on internal audit results, there are no findings raised on traceability.</p> <p>TPOM Mill Manager monitors the traceability system on a monthly basis.</p>	Yes
4.2.3.3	Mill Manager appointed as the person in-charge for traceability dated 08/08/2017.	Yes
4.2.3.4	TPOM maintains records of storage, sales and delivery on daily basis.	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>Delivered palm products are traceable to contracts and crosscheck with delivery notes and weighbridge tickets issued from mill against weighbridge tickets from buyers.</p> <p>Reviewed of weighbridge ticket for FFB received, PK and CPO dispatch, the ticket date, ticket no., vehicle no., contract no., product and weight are included in the ticket.</p> <p>All weighbridge tickets are kept in the mill office and well maintained. The record will be kept for minimum of 5 years.</p>	

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>TPOM establish the List of summary of licenses and permits with validity period.</p> <p>Example:</p> <ul style="list-style-type: none"> • MPOB license no. 500034604000, with validity until 31/03/2021 • 'Permit Barang Kawalan Berjadual' with validity until 13/01/2021. • 'Lesen' untuk menggaji pekerja bukan pemastutin - JTK, JTK.H.KBN.600-4/1/1/10401/0365, with validity until 08/01/2021. <p>Reviewed and checked on the list of licenses and permits expiry date all are within the validity date.</p> <p>Further verification with actual photos of licenses and permits confirmed within the validity date.</p>	Yes
4.3.1.2	<p>TPOM established List of Legal Register updated on 13/05/2020. The list includes 48 chapter of law or act applicable.</p> <p>Example of Legal Register established:</p> <ol style="list-style-type: none"> 1. Environmental Quality Act 1974 (Act 127) 2. Factories and machineries (noise exposure) (revocation) 2019. 3. Minimum Wages Order 2020 4. Prevention and Control of Infectious Disease Act 1988 (amendment 2020). 	Yes
4.3.1.3	<p>TPOM established List of Legal Register for estate and mill updated on 13/05/2020. The list includes 44 chapter of law or act applicable.</p> <p>The procedure "Mechanism For Tracking Any Changes In Law" dated 25/06/2015 is available.</p> <p>The list will be updated as and when new legislations are released.</p> <p>Example updated of laws and regulations:</p> <ol style="list-style-type: none"> 1. Worker Minimum Wages Order 2020 	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	<p>2. Prevention and Control of Infectious Disease Act 1988 (amendment 2020)</p> <p>Phone call interview with assistant manager and workers informed they are aware of applicable laws and regulations.</p>	
4.3.1.4	TPOM has appoint Mill manager as person in charge to monitor on compliance; and update any changes of requirement at mill.	Yes
4.3.2.1	TPOM is located within Tomanggong estate. Thus, there is no diminish land used right of others.	Yes
4.3.2.2	TPOM is located within Tomanggong Estate. Tomanggong estate and TPOM have the same owner.	Yes
4.3.2.3	The land title include the map. TPOM established the layout map of mill and located in Tomanggong estate.	Yes
4.3.2.4	TPOM is located within Tomanggong Estate. Document review no dispute of land found. Thus, no FPIC is required.	Yes
4.3.3.1	TPOM is located within Tomanggong estate. TPOM and Tomanggong estate is owned by HSPHB group. Thus, no encroachment of land.	Yes
4.3.3.2	TPOM is located within Tomanggong estate. The estate map is review to confirm mill location.	Yes
4.3.3.3	TPOM is located within Tomanggong estate, Therefore, no FPIC is required.	Yes

Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>TPOM Social Impact Assessment (SIA) is included in Tomanggong Group of Estates and Tomanggong Palm Oil Mill updated: 20/09/2020</p> <p>The SIA survey include both internal and external stakeholders.</p> <p>The SIA has a summary of positive and negative impacts and time bound plan to monitor for completion.</p> <p>The positive impacts are continuously promoted while negative impacts mitigated that include monitoring time frame.</p> <p>The SIA will be reviewed once a year with feedback from the stakeholders.</p> <p>Example of the social impact for external stakeholder:</p> <p>Social Impacts: Request from local community to repair the drainage at their village due to clog.</p> <p>Action Plan: Coordination with Tomanggong Estate to take action with request made by the local community.</p> <p>Time Bound Plan: Issue forwarded to TCU</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	PIC: Mill Manager and Estate Manager	
4.4.2.1	<p>TPOM adopted Complaint and Grievance procedure document no.ref: HSPHB P1 1120 with latest reviewed on 31/03/3018. This procedure applied to all estates and mill under HSPHB.</p> <p>The timeline describe in the procedure that complaint will be solve within 30 days from the date received.</p> <p>The procedure describe that the assistant manager should solve the complaint received within 2 days after the complaint received. While assistant manager is not authorized solve the complaint, the complaint will bring to manager to solve in 3 days.</p> <p>All complaint forms are made available at mill office and post main gate.</p> <p>TPOM had established complaint feedback log book as well.</p>	Yes
4.4.2.2	<p>Reviewed on complaint feedback log book for Internal and External. No complaint lodged verify in the complaint book.</p> <p>Document review a maintenance request lodged by worker related with maintenance at housing. The request lodged on 17/10/2020. Verify on the request form action taken by management on 17/10/2020 and signed by worker. The matter arise was then being taken into account to solve within 24 hours by management.</p>	Yes
4.4.2.3	TPOM established complaint form and complaint feedback log book for Internal and External made it available at TPOM main office and post main gate.	Yes
4.4.2.4	<p>Briefing on compliant procedure to staffs and workers conducted on 13/09/2020.</p> <p>Briefing on complaint procedure to stakeholder conducted on 23/07/2020. Stakeholders invited are Representative Kg. Tidung, Representative SK Ladang Tomanggong, FFB Supplier and representative grocery shop.</p> <p>Phone call interviewed worker informed they are aware and understand on procedure to lodge complaint to the mill management.</p>	Yes
4.4.2.5	<p>Reviewed on complaint feedback log book and complaint record, as of audit date there was no any complaint lodged.</p> <p>Document review a maintenance request lodged by worker related with maintenance at housing. The request lodged on 17/10/2020. Verify on the request form action taken by management on 17/10/2020 and signed by worker. The matter arise was then being taken into account to solve within 24 hours by management.</p>	Yes
4.4.3.1	TPOM contribute with local development among the communities by hiring workers, security guards, office staffs, drivers and etc.	Yes
4.4.4.1	TPOM adopted HSPHB group Safety and Health Policy dated 01/04/2015 signed by Chief Executive Group Plantations.	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>The policy statement committed to ensure and promote a harmonious, safe and healthy work environment for all its employees.</p> <p>The Safety and Health Policy briefing conducted to internal stakeholders and external stakeholders during Stakeholders Consultation meeting dated 23/07/2020.</p>	
4.4.4.2	<p>a</p> <p>Safety and Health Policy is displayed at the mill, labor quarters and operational areas notice boards in dual languages Bahasa Malaysia and English.</p> <p>The Safety and Health Policy briefing conducted to internal stakeholders and external stakeholders during Stakeholders Consultation meeting dated 23/07/2020.</p> <p>Phone call interview with estates workers informed they understand and aware of company Health and Safety Policy.</p>	Yes
	<p>b</p> <p>HIRARC is established for respective operation activities applicable to the mill based on the risk assessment table for TPOM updated 11/07/2020.</p> <p>The table with headings: Activity, Hazard, Risk and Effects, Initial Risk Assessment (Consequences, Likelihood, Risk Risking), Risk Control (Existing Control, PIC), Risk Assessment after Control (Consequences, Likelihood, Risk rating, Description) and Date Review.</p> <p>Example: CPO Tank</p> <p>Activity: Cleaning the CPO Tank</p> <p>Hazard: Confined Space</p> <p>Causes and Effect: Fatalities</p> <p>Existing Risk Control: SOP, Self-Contained Breathing Apparatus, gas tester, safety helmet, first aid kit, safety vest, safety harness, Confine Space Work Permit, ventilation fan, competent Authorized Gas Tester & Authorized Entrant & Standby Person.</p> <p>Likelihood, Severity & Risk Rating: L-2, S-4, R-8 medium risk</p> <p>Recommended Control Measure: Refresher training for Authorized Entrant & Standby Person and Authorizes Gas Tester.</p> <p>PIC, Due Date, Status: Workshop Technician 11/07/2021, Continuously.</p> <p>Remarks: Nil</p> <p>Phone call interview with workers informed they understand the risk of specific task.</p>	Yes
	<p>c. i</p> <p>TPOM established Occupational Safety & Health Programme for Year 2020 dated 02/01/2020 which includes the workplace inspection, training program and medical surveillance.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Example of trainings conducted for safe work practices are:</p> <ul style="list-style-type: none"> • Safe Standard Operating Procedure “SSOP Memasuki Ruang Terkurung” training conducted on 02/06/2020 to workshop technicians. • “Taklimat Pencemaran Bunyi dan Pelepasan Asap” briefing conducted on 28/04/2020 to all mill workers. <p>Phone call interview with mill operators informed they understand the safe work practices of their individual task.</p>	
c. ii	<p>SDSs for chemicals and lubricants are available at mill office and storage facilities of chemicals, lubricants, boiler station, water treatment plant, kernel plant and workshop.</p> <p>Example:</p> <ul style="list-style-type: none"> • Chemical Calcium Carbonate revision date 25/05/2017. <p>SDS available in dual language, English and Bahasa Malaysia.</p> <p>Chemical and lubricant are in original label packaging and stored in proper storage facilities with sufficient ventilations.</p>	Yes
d	<p>TPOM established records of PPEs issuance and review on the records are maintained and updated.</p> <p>Type of PPE for activity in accordance to HIRARC and CHRA assessment is identified.</p> <p>Example: Mixing Calcium Carbonate at Claybath</p> <p>PPE: Leather gloves, safety vest, safety helmet, dusk mask and safety boots.</p> <p>Phone call interview with mill operators informed they are provided with PPE according to individual task.</p>	Yes
e	<p>TPOM adopted HSPHB group Safe Standard Operating Procedure (SSOP) ‘Pengendalian Bahan Kimia’ for all the mill operation activities that handling and storage of chemicals.</p> <p>SSOP “Membuat Bancuhan Calcium Carbonate” briefed to mill workers on 02/06/2020.</p> <p>Phone call interview with mill workers informed they are aware and understand the procedure of their individual task.</p> <p>All chemical products are store in original label and packaging.</p>	Yes
f	<p>Mill Manager appointed as the person in-charge for safety and health dated 15/01/2020.</p>	Yes
g	<p>Safety and Health Committee is established for TPOM represented by both management representative and workers representative.</p>	Yes

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Indicator	Summary of Assessment	Compliance
	<p>TPOM conducted Safety and Health Committee (SHC) meeting on a quarterly basis dated 16/01/2020, 14/04/2020, 13/07/2020, and 24/10/2020 respectively.</p> <p>Agenda discuss in meeting are PPE usage, COVID-19 Pandemic, accident and injury records.</p>	
h	<p>TPOM established Emergency Response Procedure with list of emergency contact persons and numbers and emergency evacuation plan.</p> <p>The Emergency Response Procedure and emergency contact details are displayed on the notice board at mill office.</p> <p>Training conducted such as:</p> <p>Emergency Response Procedure training conducted to mill workers dated 01/02/2020.</p>	Yes
i	<p>TPOM assigned mill workers to attend the First Aid Training conducted by Malaysian Red Crescent Sandakan dated 07-08/03/2019.</p> <p>For example:</p> <ul style="list-style-type: none"> Mill manager and 6 employees attended the first aid training and appointed as competent first aider. <p>List of first aiders displayed at mill office notice boards.</p> <p>First aid kits available at workshop, stores and mill office manage by trained first aider.</p>	Yes
j	<p>TPOM established monthly Accident KPI to monitor the accidents and injuries record.</p> <p>Reviewed on the accident and injury record, there is no accident and injury of more than 4 days medical leave reported from December 2019 until the audit date.</p> <p>Annual Accident Report for year 2019 submitted to DOSH dated 14/01/2020 with zero accident case and 20 occupational diseases (hearing impairment) cases.</p> <p>TPOM conducted "Taklimat Pencemaran Bunyi dan Pelepasan Asap" to all the mill workers dated 28/04/2020 and continuing the annual audiometric testing to workers who exposed to noise.</p>	Yes
4.4.5.1	<p>TPOM adopt Human Right Policy established by HSPHB dated 01/10/2016 signed by Chief Executive Group Plantations.</p> <p>The policy publicly available at the notice board in both Malay and English languages.</p> <p>Briefing on complaint procedure to stakeholders conducted on 23/07/2020. Stakeholders invited are representative Kg. Tidung, representative SK Ladang Tomanggong, FFB Supplier, and representative grocery shop.</p>	Yes

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Indicator	Summary of Assessment	Compliance
	<p>Briefing on Human Right Policies to staffs and workers conducted on 13/09/2020.</p> <p>Agenda of meeting include MSPO introduction, company policies, social issues raised, complaint and grievance and question & answer</p> <p>No issue is raised related the human right on external stakeholders meeting dated 23/07/2020.</p> <p>Phone call interview workers informed they are aware on company policies which brief during muster morning.</p>	
4.4.5.2	<p>TPOM adopted the Equal Opportunity Policy established by HSPHB dated 01/03/2019 signed by Chief Executive Group Plantation.</p> <p>The policy states HSPHB shall ensure the hiring, remuneration, access to training, promotion, termination or retirement will be implemented based on business needs, job requirements and individual qualifications regardless to race, religion, gender, ethnic origin, social class, caste, national origin, affiliation or any other distinguishing characteristic.</p> <p>Briefing on Equal Opportunity Policy to staffs and workers conducted on 13/09/2020.</p> <p>Document review, no complaints records on discriminatory issue lodged from internal and external stakeholders as at audit date.</p> <p>Phone call interview workers inform no discrimination cases reported from their workplace.</p>	Yes
4.4.5.3	<p>TPOM adopted HSPHB contract agreement for workers in accordance with Sabah Labour Ordinance.</p> <p>The employment contract stated daily piece rated for worker, overtime rate for normal overtime, rest day overtime and public holiday overtime, working hours, rest day and etc.</p> <p>The collective agreement are in Bahasa Malaysia language version and understand by the Indonesia worker.</p> <p>Briefing on wages and salary to staffs and workers conducted on 13/09/2020.</p> <p>Phone call interview with workers they are aware on the contract agreement signed.</p> <p>Workers agreed with daily rate as describe in the contract agreement..</p> <p>Workers inform their salary paid before or at 7th of every months.</p> <p>Review on payslip, deduction on electricity and passport renewal made on workers' payslip in accordance with Deduction Permit from Jabatan Tenaga Kerja.</p> <p>Workers are paid based on Minimum Wages Order 2018.</p>	Yes
4.4.5.4	<p>TPOM do not engage contractor for other service in the mill operations. Therefore, no contractor worker pay slip review as at audit date.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.5	<p>Workers list contain worker name, gender, date of birth, date joined, type of work, wages and period of employment.</p> <p>Verify the contract agreement signed by both party on 22/01/2019. The wages agreed based on contract at RM1,100 per month or RM 42.31 per day.</p> <p>The contract complete with information such as gender, place of birth, date of birth, date of entry, wages and period of employment</p> <p>Phone call interview workers informed they understand on the wages rate paid to them.</p> <p>Document review, check roll books and payslip are meet with Minimum Wages Order 2018.</p>	Yes
4.4.5.6	<p>TPOM adopt HSPHB working contract for workers and signed by both party.</p> <p>The contract agreement is in Bahasa Malaysia language which can be understand by worker.</p> <p>The contract agreement describes the pay rate of minimum RM1,100 per month or RM42.31 per day in accordance to Minimum Wages Order 2018.</p> <p>Phone call interview workers informed they understand on the wages rate paid to them.</p>	Yes
4.4.5.7	<p>Thumb print system is using to record attendance of workers.</p> <p>The working hours is displayed at the notice board.</p> <p>Working hours as follows:</p> <p>Morning shift: 7:00am to 4:00pm including one hour rest time.</p> <p>Afternoon shift: 4:00pm to 12:00am including one hour rest time.</p> <p>Interview with workers they understand the working hours.</p> <p>The working contract signed by employee and employer while employee joined the mill.</p> <p>Phone call interview workers feedback they understand the working hours and overtime time.</p>	Yes
4.4.5.8	<p>TPOM established the working hour and break time been documented with working hour.</p> <p>Office working hours:</p> <p>Working hours: 7:00 am – 4.00 pm</p> <p>Rest hours: 12:00 pm -1:00 pm</p> <p>Shift:</p> <p>Morning shift: 7.00 am – 4.00 pm</p>	Yes

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Indicator	Summary of Assessment	Compliance
	<p>Afternoon shift: 4.00 pm – 12.00 am</p> <p>Rest hour: 1 hour for each shift.</p> <p>The working hours are in line with requirement of Sabah Labour Ordinance of 8 hour of work including rest time.</p> <p>Overtime approval was given upon fill up the overtime record form from the respective workers.</p> <p>Phone call interview workers feedback they understand the working hours and overtime time.</p> <p>Document review, check roll books and payslip are meet with Wages Minimum Order 2018.</p>	
4.4.5.9	<p>Workers understand on the salary paid states in the pay slip.</p> <p>Wages paid are based on Minimum Wage Order 2018 of RM 1,100 per month or RM42.31 per day.</p> <p>Document review, verify payslip are meet Minimum Wages Order 2018.</p> <p>Example:</p> <p>Review on payslip for September 2020 for security, daily rate as agreed by both worker and management in employment contract.</p>	Yes
4.4.5.10	<p>TPOM provide benefits to workers such as medical care, SOCSO and incentives.</p> <p>Verify clinic made available for workers purpose for getting the treatment.</p> <p>Phone call interview workers informed they provided with all benefits provided by their employer equally.</p>	Yes
4.4.5.11	<p>TPOM is adopts the industry best practices for housing.</p> <p>Water tank, electricity, chapel, prayer room, clinic and grocery store is provide at housing area.</p> <p>Phone call interview workers informed they provided with housing, electricity and water supply their employer.</p>	Yes
4.4.5.12	<p>TPOM adopt Sexual Harassment, Violence and Abuse Policy established by HSPHB dated 20/11/2017 signed by Chief Executive Group Plantation.</p> <p>TPOM established Gender Community joint by among the employer and employee representative.</p> <p>The policy displayed at all milk notice board.</p> <p>Sighted minutes of meeting for Gender Committee Year 2020 conducted dated 28/07/2020.</p> <p>The meeting include the workers and staffs with agenda meeting discuss on briefing on type of sexual harassment awareness, policy briefing,</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>reporting procedure sexual harassment, child care center, COVID-19 policy briefing and others.</p> <p>Meeting minutes sighted confirmed no cases was lodged as at audit date.</p> <p>Phone call interview female workers informed they are aware on Sexual harassment and violence policy conducted in their workplace. They inform no related cases lodged.</p> <p>Document review, verify briefing record on sexual harassment policy to workers conducted on 13/09/2020 with attendance list.</p>	
4.4.5.13	<p>TPOM adopt HSPHB Freedom Of Association And Right To Collective Bargaining policy establish dated 01/03/2019 signed by Chief Executive Group Plantation.</p> <p>The policy states HSPHB shall recognize and respects the rights of employees to join trade unions of their choice and bargain collectively subject to the provisions of relevant national legislation.</p> <p>Briefing on Freedom of Association and Foreign worker policies to staffs and workers conducted on 13/09/2020.</p> <p>Document review and phone call interview confirm no trade union form by workers at TPOM. JCC committee established to discuss on workers issues.</p> <p>JCC meeting conducted on 23/07/2020 involved management and worker representative.</p> <p>Meeting agenda discuss include company policies, safety and health, environment, housing hygiene, complaint discussion and other matter arise.</p> <p>Phone call interview workers informed they are aware on JCC meeting conducted in mill.</p> <p>Document review, JCC minutes of meeting state the agenda of meeting together with attendance list.</p>	Yes
4.4.5.14	<p>TPOM adopt HSPHB Child Labour Policy establish dated 02/01/2017 signed Chief Executive Group Plantation.</p> <p>Briefing on Child Labour Policy to staffs and workers conducted on 13/09/2020.</p> <p>Review on the workers list, verify the workers are above the minimum age of employment is based on passport and date of birth updated October 2020.</p>	Yes
4.4.6.1	<p>TPOM has established annual training and briefing programme dated 02/01/2020 and verified by the Mill Manager.</p> <p>Training program grouped into environmental aspect, work operation and safety and health.</p> <p>Example of the training conducted for 2020:</p> <ul style="list-style-type: none"> • Chemical handling dated 16/07/2020 	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"> Briefing on zero burning dated 02/09/2020 Boiler cleaning dated 01/10/2020 	
4.4.6.2	<p>TPOM established training programme based on job description and work station of the workers.</p> <p>Example of the training conducted:</p> <ul style="list-style-type: none"> Wireman and mechanic conducted on 10/10/2020 Laboratory and store attendant conducted on 16/07/2020 Briefing for mill staffs conducted on 02/11/2020 	Yes
4.4.6.3	<p>TPOM has established annual training program by monthly basis as continuous training program for year 2020.</p> <p>Example:</p> <ul style="list-style-type: none"> SOP on working at Fume Cupboard in November Briefing on HACCP and Emergency Respond plan in December 	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>TPOM adopted HSPHB group Environment Policy dated 15/11/2018 signed by Chief Executive Group Plantations.</p> <p>The policy describes:</p> <ul style="list-style-type: none"> Establish appropriate infra structures and responsibility for environmental affairs within our organizations and carry out appropriate and routine assessment and reporting procedures on such matters. Complying with all relevant environmental legislation of the country. Adopt and implement Good Agricultural and best management practices at all times currently established in the industry. <p>TPOM established Environment Impact Assessment, Management Action Plans and Continuous Improvement Plans dated 21/08/2020.</p> <p>Phone call Interviewed workers are aware and understand company environmental policy.</p>	Yes
4.5.1.2	<p>a</p> <p>TPOM adopted HSPHB group Environmental policy dated 15/11/2018 signed by Chief Executive Group Plantations.</p> <p>The policy states the company committed to protect environment and conserve biodiversity for further generation.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>b</p> <p>TPOM established Environment Impact Assessment, Management Action Plans and Continuous Improvement Plans conducted on 21/08/2020.</p> <p>The assessment include following:</p> <ol style="list-style-type: none"> 1. POME 2. EFB 3. Production of fiber / shell / boiler ash 4. Scheduled waste 5. Transport of CPO & PK 6. Smoke emissions from mill stack and vehicles. <p>Example:</p> <p>Aspect : Scheduled Waste</p> <ol style="list-style-type: none"> 1. SW 305 Lubricant 2. SW 306 Hydraulic <p>Impact:</p> <ol style="list-style-type: none"> 1. Indiscriminate throwing and spillages of spent oil causes pollution to soil and waterways. <p>Plan and monitoring programs:</p> <ol style="list-style-type: none"> 1. All scheduled wastes are properly arranged inside the schedule waste store. 2. Containment trays are used to contain any leaking oil during vehicle repair or servicing. <p>Continuous improvement plan</p> <ol style="list-style-type: none"> 1. e-SWIS monitoring at monthly basis <p>Reviewed the e-SWIS monitoring record for month of October 2020.</p> <p>Remote onsite video observation confirmed the scheduled waste store are manage properly and all scheduled waste are label and stored separately.</p>	
4.5.1.3	<p>Environmental impact Assessment, Management Action Plan and Continuous Action Plan dated 21/08/2020 included list of activities, aspects, impacts towards environment, action plan and improvement plan.</p> <p>Example:</p> <p>Issue: Scheduled Waste Production.</p> <p>Impacts: Indiscriminate throwing and spillages of spent oil causes pollution to soil and waterways.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Action Plans: All scheduled wastes are properly arranged inside the schedule waste store, regular inspection of the schedule waste store and oil traps by the workshop supervisor. Cleaning is done whenever necessary</p> <p>Continuous Improvement Plan: e-SWIS monitoring at monthly basis.</p> <p>Responsibility: Mill manager / mill assistant</p> <p>Timeframe: Established and continues monitored</p> <p>Remarks: Environmental Quality (Schedule Wastes) Regulation 2005</p> <p>Remotely reviewed the e-SWIS monitoring record photos for month of October 2020.</p> <p>Remote onsite video observation confirmed the scheduled waste store are manage properly and all scheduled waste are label and stored separately.</p>	
4.5.1.4	<p>TPOM established Environmental Impact Assessment, Management Action Plans and CIP include promote positive impact.</p> <p>Example:</p> <p>Environmental Aspect: Empty fruit bunch (EFB) (mill waste product) produced from the operations</p> <p>Environmental Impacts: Positive Impacts: Organic fertilizer for oil palm plantation</p> <p>Action Plans: Plans and monitoring programme: Regular delivery to nearest estate for application</p> <p>Continuous Improvement Plan: Estate to let Agronomist know on EFB applied and to reduce fertilizers accordingly on a yearly basis.</p> <p>Responsibility: Admin Manager</p> <p>Timeframe: Established and continually improvement</p> <p>Remotely reviewed the EFB delivery record photos to the Tabin estate for month of October 2020.</p>	Yes
4.5.1.5	<p>Training program is established on 02/01/2020 include environment training and policy.</p> <p>Example training:</p> <ul style="list-style-type: none"> • EIA awareness on water treatment and chemical handling SOP conducted on 02/07/2020. • Zero Burning awareness conducted on 02/09/2020 <p>Phone call interview workers are aware and understand company environmental policy, water and chemical handling SOP and zero burning.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.6	<p>TPOM most recent environmental meeting conducted on 23/07/2020. According to records meeting will be held once every 3 months.</p> <p>Remotely reviewed the environmental minute meeting photos dated 23/07/2020</p> <p>The basis of the meeting was to discuss mill activities that would affect the environmental and action to mitigate it and involve the workers.</p>	Yes
4.5.2.1	<p>TPOM established 5 years fossil fuel baseline from 2016 to 2020 for genset and transport.</p> <p>The volume of usage for year 2019 is compared with the baseline and found lower than baseline.</p>	Yes
4.5.2.2	<p>TPOM established the budget for diesel annual usage for 2020</p> <p>TPOM recorded the actual diesel consumption compared against the baseline.</p> <p>The current actual usage for 2020 is below the baseline.</p> <p>Environmental impact Assessment, Management Action Plan and Continuous Action Plan dated 21/08/2020 included the fossil fuel management plan.</p> <p>Example:</p> <p>Source generated : Water pump (genset)</p> <p>Fuel : Diesel</p> <p>Mitigation Measure : Regular Servicing the generator set for smooth running engine and prevent excessive emission of greenhouse gas</p> <p>Remotely reviewed the monthly genset maintenance record updated October 2020.</p>	Yes
4.5.2.3	<p>TPOM does not practice renewable energy for the mill operations.</p> <p>TPOM is in progress planning for biogas plant to capture methane from POME and target commencement on 2021</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services																		
Indicator	Summary of Assessment	Compliance																
4.5.3.1	<p>TPOM established list of waste generated and management plan latest review on 17/08/2020.</p> <p>The table describe the type of wastes and sources as below;</p> <table border="1"> <thead> <tr> <th>Type of waste</th> <th>Source</th> </tr> </thead> <tbody> <tr> <td>Organic waste</td> <td>Housing, canteen</td> </tr> <tr> <td>Domestic waste</td> <td>Housing</td> </tr> <tr> <td>Digestive waste</td> <td>Office</td> </tr> <tr> <td>Maintenance oil</td> <td>Workshop</td> </tr> <tr> <td>Empty chemical container</td> <td>Chemical store</td> </tr> <tr> <td>Electrical waste</td> <td>House, office and mill workshop</td> </tr> <tr> <td>POME</td> <td>Mill</td> </tr> </tbody> </table>	Type of waste	Source	Organic waste	Housing, canteen	Domestic waste	Housing	Digestive waste	Office	Maintenance oil	Workshop	Empty chemical container	Chemical store	Electrical waste	House, office and mill workshop	POME	Mill	Yes
Type of waste	Source																	
Organic waste	Housing, canteen																	
Domestic waste	Housing																	
Digestive waste	Office																	
Maintenance oil	Workshop																	
Empty chemical container	Chemical store																	
Electrical waste	House, office and mill workshop																	
POME	Mill																	
4.5.3.2	<p>a</p> <p>TPOM has established list of wastes and management plan.</p> <p>Example 1:</p> <p>Type of waste: Used Oil</p> <p>Source of waste: Workshop</p> <p>Pollutions: Seeping of oil into the ground can affect the quality of ground water</p> <p>Monitoring plan: Proper scheduled wastes management are conducted and authorized contractor is appointed for collection.</p> <p>PIC: Mill assistant</p> <p>Remotely reviewed the ESWIS monitoring record photos for month of October 2020.</p> <p>Example 2:</p> <p>Type of waste: Domestic wastes</p> <p>Source: Housing</p> <p>Pollutions: Waste generated can cause pollution to environment. Example, aerosol spray may affect the atmosphere.</p> <p>Monitoring plan: Disposal of domestic wastes at landfill area at weekly basis.</p> <p>PIC: Mill assistant</p> <p>Remotely reviewed the domestic waste monitoring record photos for month of October 2020.</p>	Yes																
	<p>b</p> <p>TPOM use kernel shell and fiber as boiler fuel.</p> <p>EFB, boiler ash and decanter cake are sent to the nearby estate as part of recycling programme as organic fertilizer.</p>	Yes																

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.3.3	<p>TPOM adopted SOP HSPHB/SSOP/25-19 Stor Bahan Kimia updated on 31/01/2019.</p> <p>The SOP describes storage, handlings and disposal of used chemicals containers.</p> <p>Example:</p> <p>Empty chemical containers from laboratory and water treatment plant.</p> <p>Action plan: Authorized contractor is appointed to collect scheduled wastes on regular basis. Storage of scheduled waste not more than 180 days and 20mt.</p> <p>Consignment note for scheduled wastes from authorized contractor dated September 2020 for collection of SW 410, SW110, SW429, SW102 scheduled wastes.</p>	Yes
4.5.3.4	<p>TPOM domestic wastes are disposed at Tomanggong estate landfill.</p> <p>Sighted in the map the location of landfill is far from river / buffer zone area.</p>	Yes
4.5.4.1	<p>TPOM established Waste Management Plan dated 17/08/2020 has include list of wastes generated and management plan has identified solid, liquid and gases wastes.</p> <p>Example</p> <p>Waste generated: Laboratory waste</p> <p>Type of waste: Liquid</p> <p>Disposal: To be disposed all scheduled waste and collect by authorized collector</p> <p>Waste generated: Paper – Mill office</p> <p>Type of waste: Solid</p> <p>Disposal: Reuse and disposed by by contractor</p> <p>Waste generated: Scrap iron</p> <p>Type of waste: Solid</p> <p>Disposal: Disposed by contractor</p> <p>Type of GHG emission gas was identified as follow:</p> <ul style="list-style-type: none"> • Diesel usage: CO • POME: CH4 • Power Generator: CO, SoX, NoX 	Yes
4.5.4.2	<p>TPOM established Environmental Impact Assessment, Management Action Plans and Continuous Improvement Plan dated October 2012 and latest updated on 21/08/2020 includes the environmental impact and its action taken to reduce identified significant pollutants and emissions.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Example:</p> <p>Waste generated: Used engine oil – Scheduled waste</p> <p>Impact: Soil and water bodies pollution</p> <p>Mitigation action plan: Proper scheduled waste management are conducted as required in legal RQA (Scheduled Waste) 2005. Kept all scheduled waste at proper storage and to be disposed by authorized collector.</p> <p>Time frame: Continuous implemented</p> <p>Review on submitted photos and videos at scheduled waste store observed used engine oil is kept properly inside the used drums. A labelling on the drums indicate the information as per EQA (SW) Reg. 2005.</p>	
4.5.4.3	<p>TPOM POME is treated by using open pond system.</p> <p>TPOM engage with 3rd party consultant to conduct final discharge POME test on 20/09/2020.</p> <p>The test results met with DOE requirements and it is conducted on monthly basis.</p> <p>Mitigation action taken by TPOM was to apply final discharge of POME to land irrigation according to DOE discharge limits, where BOD below 100mg/l.</p> <p>Review onsite photos and video submitted observed the treated POME discharge to land irrigation.</p>	Yes
4.5.5.1	<p>a</p> <p>TPOM has established Water Management Plan dated October 2012 and latest update on 30/08/2020.</p> <p>The plan has identified source of water and water usage.</p> <p>Source of water: Water catchment pond</p> <p>Water usage: Mill processing activities</p> <p>Source of water: Water catchment pond and rain water</p> <p>Water usage: Domestic use</p> <p>Review onsite photos and videos of TPOM housing area observed each houses provided with water tanks.</p> <p>Interview with workers via phone called feedback they received treated water supply for daily used from TPOM water treatment plant.</p>	Yes
	<p>b</p> <p>TPOM has established Water Management Plan dated October 2012 and latest update on 30/08/2020 describes that TPOM release POME through land irrigation.</p> <p>Final discharge of POME analysis result dated 20/09/2020 is review and the result met the DOE requirements.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>TPOM established performance monitoring Log Book for Effluent pond and land irrigation to monitor the effluent pond and final discharge of POME.</p> <p>TPOM flow meter log book for field irrigation is review. Latest flow meter reading is on 31/10/2020 to Tomanggong estate.</p>	
c	<p>TPOM established Water Management Plan dated October 2012 and latest update on 30/08/2020 describes water monitoring as follows:</p> <ul style="list-style-type: none"> • Installation of water meter flow at pump house • To record daily use of water on daily basis and summarize on month end <p>Building & Premises inspection checklist dated 15/09/2020 is review.</p> <p>Review onsite photos and videos submitted the water pipes and water meter flow is maintain in a good conditions.</p> <p>Rain harvesting is implemented at housing area.</p> <p>Review onsite photos and videos observed management provide each house with water tank for rain water storage.</p>	Yes
4.5.5.2	<p>TPOM has established Water Management Plan dated October 2012 and latest update on 30/08/2020 describes as follows:</p> <ul style="list-style-type: none"> • TPOM has practiced discharge of POME through land irrigations. • Final discharge water quality testing will be carry out by competent consultant <p>TPOM discharge of POME effluent for land irrigation at Tomanggong estate.</p> <p>Records of POME monitoring for final discharge in year 2020 is review.</p> <p>EIA under CIP has stated on:</p> <ol style="list-style-type: none"> 1. Monitoring of the POME discharge into the land irrigation 2. Monitoring of water course on water quality Index analysis. 	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>TPOM established list of SOPs for mill operations.</p> <p>The last review of SOP on 22/05/2019 and the latest review is on 31/01/2020.</p> <p>Example of SOPs established;</p> <ul style="list-style-type: none"> - Boiler station 	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> - Engine room - Press station <p>Training for handling sterilizer and incinerator operator conducted on 01/07/2020.</p> <p>TPOM adopted General SOPs applicable for estates and mills updated on 06/10/2020.</p> <p>Example of updated General SOPs:</p> <ul style="list-style-type: none"> - Infectious disease, pandemic, COVID-19 & natural disaster <p>Phone call interviewed workers informed they are aware of mill SOPs and training has been carried out.</p> <p>Phone call interview with mill assistant manager and photos provided, Infectious disease, pandemic, COVID-19 & natural disaster SOP is publicly available at mill notice board and guard house as precaution for internal and external stakeholders.</p>	
4.6.1.2	<p>TPOM implemented following best practices:</p> <p>Stack measurement for dust particulates and smoke emissions using CEMS an online monitoring system in accordance to DOE requirements.</p> <p>Emissions report dated 23/09/2020 for monitoring period 14/07/2020 reviewed.</p> <p>Review on certificate of final discharge dated 20/09/2020 confirmed the BOD level is in accordance to the DOE discharge limits.</p>	Yes
4.6.2.1	<p>TPOM established budget for year 2020 and business plan 2021-2024.</p> <p>The budget includes estimated for 2020 and forecast for the next 4 years.</p> <p>Example:</p> <p>Crop forecast, CPO forecast, PK forecast OER % forecast and KER % forecast.</p> <p>The projection for operation and capex business plan is establish year 2020 - 2024.</p> <p>Capital expenditure estimated for year 2020</p> <p>1. New Kernel Bunker (185mt)</p>	Yes
4.6.3.1	<p>TPOM established Minor Job Contract agreement for Replacement of Steriliser Nozzle Flange Pad dated 10/08/2020.</p> <p>The contract price is available in the contract agreement and signed by both parties.</p>	Yes
4.6.3.2	<p>TPOM established Minor Job Contract agreement for Replacement of Steriliser Nozzle Flange Pad dated 10/08/2020.</p> <p>The contract agreement signed by both parties.</p>	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	The payment made to the contractor is on timely manner as per payment term stated in the contract agreement.	
4.6.4.1	<p>TPOM engaged transporter for transport of CPO. The established contract agreement dated 08/10/2020 is duly agreed and signed by both parties.</p> <p>The contract agreement include statement of contractor shall follow MSPO requirements.</p> <p>TPOM conducted briefing to contractor on 18/09/2020. Training attendance, photos and agenda are recorded.</p> <p>Infectious disease, pandemic, COVID-19 & natural disaster SOP is publicly available at mill notice board and guard house as precaution for internal and external stakeholders.</p>	Yes
4.6.4.2	Contract agreement between CPO transporter and TPOM dated 08/10/2020 is duly agreed and signed by both parties.	Yes
4.6.4.3	TPOM contract agreement for transportation of CPO dated 08/10/2020 stated in appendix 1 'Relevant sustainability certification body has access to contractor or operation if an audit is deemed necessary'.	Yes

4.4. Status of Non-Conformities Previously Identified

	The stage 1 audit findings of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have been 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 Identified during last audit

AUDIT OUTCOME		
During last Audit	2	MAJOR Non-Conformities
	0	MINOR Non-Conformities

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Non Conformity Number <01>	
Indicator # and Description:	4.1.2.2 The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.
Location:	Tomanggong Palm Oil Mill
Description of Finding / Objective Evidence:	
Internal audit conducted on 11/07/2019 – 12/07/2019 did not identify finding on expiry of fire certificate	
Classification	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor
Raise by:	Ariff Bin Lokman Date Raise: 28/09/2019
Deadline for implementation	27/11/2019
Root Cause Analysis (by company):	
Expiry of the fire certificate was not identified during the Internal Audit due to action was taken by Bukit Mas Palm Oil Mill to renew the fire certificate and work in progress.	
Correction (by company):	
The expiry of fire certificate was immediately included as finding the Internal Audit Report during Post MSPO ASA 2/ISCC Re-Certification Audit Meeting conducted. (Attachment 1.1a & Attachment 1.1b)	
Corrective / Preventive Action (by company)	
Sustainability Executive will yearly cross-check accuracy of the Internal Audit findings done by Sustainability Team.	
Review of Correction & Corrective / Preventive Action	
Documents 1.1a and 1.1b submitted are reviewed to crosscheck against the corrective action of fire certificate is in progress and monitor until received (expected end 2019). Based on the evidence provided, it is sufficient to close the major NC. Further verification will be conducted in the 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: Ariff Bin Lokman	Date of Closure: 12/11/2019
Review of Implementation	
Internal audit conducted on 30/06/2020 – 01/07/2020 include the expiry of the fire certificate.	
Name of Trainee Lead Auditor: Khairul Anwar Bin Ismail	Date of Review: 07/11/2020

Non Conformity Number <02>	
Indicator # and Description:	4.1.4.2 The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.

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Non Conformity Number <02>	
Location:	Tomanggong Palm Oil Mill
Description of Finding / Objective Evidence:	
The mechanism to improve practices of new technology, new information and techniques is not establish.	
Classification	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor
Raise by:	Ariff Bin Lokman Date Raise: 28/09/2019
Deadline for implementation	27/11/2019
Root Cause Analysis (by company):	
Lack of understanding on the MSPO requirement to establish mechanism to improve practices of new technology, new information and techniques.	
Correction (by company):	
The mechanism to improvement practices of new technology, new information and techniques was immediately establish. (Attachment 1.2a)	
Corrective / Preventive Action (by company)	
Mill Manager will monthly check and to ensure the established mechanism (To improve practices of new technology, new information and techniques) is implement accordingly.	
Review of Correction & Corrective / Preventive Action	
Review on the attachment 1.2a, Flow chart of action plan for new technology implementation dated October 2019 to handling the new technology or techniques. The evidence provided is sufficient to close the NC. Further verification will be conducted in the 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: Ariff Bin Lokman	Date of Closure: 12/11/2019
Review of Implementation	
The flowchart for new technology dated October 2019 is established and implemented.	
Name of Trainee Lead Auditor: Khairul Anwar Bin Ismail	Date of Review: 07/11/2020

4.6. Detail of Remote Audit Findings Identified during This Audit

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

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

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Nr.	Indicator	Description	Location	Opportunity for Improvement
1.	4.4.4.2 (b)	The risks of all operations shall be assessed and documented	Mill Operation	TPOM may consider improve on risk control for noise hazard in HIRARC.
2.	4.4.4.2 (g)	The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employee's safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded	Office	TPOM may consider improve on the agenda in OSH meeting.

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5. CONCLUSION

Hap Seng Plantations (River Estates) Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct annual surveillance 3 audit for its Tomanggong Palm Oil Mill according to MSPO 2530-4:2013 Part 4 General principles for palm oil mills.

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 2530-4:2013. Part 4 General principles for palm oil mills.

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

Certified CPO January 2020 to September 2020:	22,054.95	mt
Certified PK January 2020 to September 2020:	4,362.52	mt
Projected CPO October 2020 to December 2020:	17,926.00	mt
Project PK October 2020 to December 2020:	3,846.00	mt

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6. RECOMMENDATION

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

The structure of the audit was in accordance with the audit plan included in to this summary report.

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 policy 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, 07/12/2020

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

Puchong, 07/12/2020

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

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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 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 / Checklist(s)
- Audit Plan