

**MALAYSIAN SUSTAINABLE PALM OIL  
ANNUAL SURVEILLANCE ASSESSMENT (ASA 2)  
Public Summary Report**

<b>BOUSTEAD PLANTATIONS BERHAD</b>
Client company Address: 19 <sup>th</sup> Floor Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia
Certification Unit: Boustead Emastulin Sdn Bhd - Segaria Business Unit Segaria Palm Oil Mill and Segaria Estate
Location of Certification Unit: P.O. Box 132 91308 Semporna, Sabah, Malaysia

**Report prepared by:**  
**Muhamad Naquiddin Mazeli** (Lead Auditor)

**Report Number: 9673285**

**Assessment Conducted by:**  
BSI Services Malaysia,  
(DSM Accreditation Number: MSPO 09112018 CB 12)  
Suite 29.01 Level 29 The Gardens North Tower,  
Mid Valley City Lingkaran Syed Putra,  
59200 Kuala Lumpur  
Tel +60392129638 Fax +60392129639  
[www.bsigroup.com](http://www.bsigroup.com)

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## Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Boustead Emastulin Sdn Bhd - Segaria Business Unit		
Mill/Estate	MPOB License No.	Expiry Date	
Segaria Palm Oil Mill	508110904000	31/05/2020	
Segaria Estate	504677002000	31/03/2020	
Address	Head office : 19th Floor Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia Certification Unit : P.O. Box 132, 91308 Semporna, Sabah, Malaysia		
Certification Unit	Segaria Business Unit		
Contact Person Name	Anuar Bin Semail / Nurul Hanani Binti Abdullah		
Website	www.bousteadplantations.com	E-mail	<a href="mailto:anuar.bea@boustead.com.my">anuar.bea@boustead.com.my</a> <a href="mailto:hanani.bea@boustead.com.my">hanani.bea@boustead.com.my</a>
Telephone	03-2145 2121	Facsimile	03-2144 7917

1.2 Certification Information			
Certificate Number	MSPO 682292 - Segaria POM MSPO 682293 - Segaria Estate		
Issue Date	22/03/2018	Expiry date	21/03/2023
Scope of Certification	Segaria Mill: Production of Sustainable Palm Oil and Palm Oil Products Segaria Estate: Production of Sustainable Oil Palm Fruits		
Standard	MS 2530-3:2013 General principles for oil palm plantations and organised smallholders MS 2530-4:2013 General principles for palm oil mills		
Stage 1 Date	12-13/10/2017		
Stage 2 / Initial Assessment Visit Date (IAV)	07-08/12/2017		
Continuous Assessment Visit Date (CAV) 1	31/01-01/02/2019		
Continuous Assessment Visit Date (CAV) 2	15-16/01/2020		
Continuous Assessment Visit Date (CAV) 3	NA		
Continuous Assessment Visit Date (CAV) 4	NA		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
QMS 00454	ISO 9001:2015	SIRIM QAS International Sdn Bhd	20/07/2021
RSPO 682292	Roundtable Sustainable Palm Oil MYNI 2018	BSI Services Malaysia Sdn Bhd	06/03/2023

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1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
Segaria Palm Oil Mill	P.O. Box 132, 91308 Semporna, Sabah, Malaysia	118.398500	4.481750
Segaria Estate	P.O. Box 132, 91308 Semporna, Sabah, Malaysia	118.400948	4.498369

1.4 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Segaria Estate	4,465.1	143.9*	136.2	4,746.2	94%
<b>Total</b>	4,465.1	143.9	136.2	4,746.2	

Remark: reassessment by MEC.

1.5 Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Segaria Estate	234.40	614.90	2,829.30	663.9	122.6	4230.7	234.4
<b>Total (ha)</b>	234.40	614.90	2,829.30	663.9	122.6	4230.7	234.4

1.6 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Dec'18 - Nov'19)	Actual (Jan'19 - Dec'19)	Forecast (Jan'20 - Dec'20)
Segaria Estate	89,100.00	82,163.52	82,300
<b>Total</b>	89,100.00	82,163.52	82,300

1.7 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Dec'18 - Nov'19)	Actual (Jan'19 - Dec'19)	Forecast (Jan'20 - Dec'20)
		Nil	
<b>Total</b>			

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<b>1.8 Certified Tonnage</b>			
Segaria POM 30 MT/hr  SCC Model: SG	Estimated (Dec'18 - Nov'19)	Actual (Jan'19 - Dec'19)	Forecast (Jan'20 - Dec'20)
	FFB	FFB	FFB
	89,100.00	82,163.52	82,300
	CPO (OER:23.00%)	CPO (OER: 23.68%)	CPO (OER:23.50%)
	20,493.00	19,456.32	19,340.5
	PK (KER:3.50 %)	PK (KER: 3.44%)	PK (KER:3.5%)
	3,118.50	2,826.43	2880.5

<b>1.9 Actual Sold Volume (CPO)</b>					
CPO (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
19,456.32	-	-	18,113.41	-	18,113.41

<b>1.10 Actual Sold Volume (PK)</b>					
PK (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
2,826.43	-	-	2733.12	-	2733.12

## Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 190 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

### Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 15-16/01/2020. The audit programme is included as Appendix A. The approach to the audit was to treat the Boustead Segaria POM and Supply Base as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. MS 2530-3:2013 & MS 2530-4:2013 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders sample were determined based on formula  $S = r\sqrt{n}$  where  $n$  is the number of estates while when applicable, the smallholders sample were determined following the MSPO Certification Requirement. The sampling of smallholders were based on the formula  $(r\sqrt{n})$ ; where  $r$  is the risk factor (may defers 1, 1.5 and 2 depending on risk), where  $n$  is total number of group members. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix B.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment are detailed in Section 4.2.

This report is structured to provide a summary of assessment finding as attached in the Section 3. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI.

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The following table would be used to identify the locations to be audited each year in the 5 year cycle

<b>Assessment Program</b>					
<b>Name (Mill / Plantation / Group smallholders)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Segaria Palm Oil Mill	√	√	√	√	√
Segaria Estate	√	√	√	√	√

**Tentative Date of Next Visit: January 14, 2021 - January 15, 2021**

**Total No. of Mandays: 4**

**2.1 BSI Assessment Team**

Team Member Name	Role	Qualifications
Muhamad Naquiuddin Mazeli	Team Leader	He graduated with Bachelor of Science Horticulture at University Putra Malaysia. He started his career in 2009 as Researcher at Sime Darby Research Seed Centre and manage for Quality control for seed production for paddy, chilli and corn with collaboration with Malaysian Agricultural Research and Development Institute (MARDI) for 4 years. During the period, he was also involved with Nestle project on Red Rice production. He later joins the Sime Darby Plantation Berhad Sustainability Team in 2013 as Sustainability Executive. Joining the sustainability team, he managed, implemented and monitored the RSPO, ISCC, MSPO and ISO 9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training and internal audits related to RSPO, MSPO and other certifications where applicable to the operations within Sime Darby Plantation. He is a trained Safety Officer and he managed the Occupation Safety and Health of Northern Region Sime Darby Plantation Berhad operations. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health and workers consultation and also environmental aspect and impact.
Hafriazhar Mohd Mokhtar	Team Member	Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea and Solomon Islands. During this assessment, he assessed on the aspects of legal, social and stakeholder engagement. Able to communicate in Bahasa Malaysia and English.
Vijay Kanna Pakirisamy	Team Member	He holds a bachelor’s degree in Agribusiness Science Management with Honours from University Utara Malaysia in 2010. He gained his working exposure in the plantation sector, serving as an Assistant Manager with KL Kepong and IOI Plantations and as a Sr. Assistant Manager with United Plantations Berhad. Throughout his 10 year tenure in the oil palm industry, he has been part of the operations team that implements standards within the estate such as RSPO, MSPO, ISCC and FINWATCH. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in November 2019, endorsed RSPO P&C Lead Auditor Course in October 2019 and endorsed MSPO Lead Auditor Course in November 2019. During this assessment, he assessed on the aspects of Occupational, Health & Safety and estate best practises. He is fluent in Bahasa Malaysia and English languages.



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**2.2 Assessment Plan**

Date	Time	Subjects	HMM	MNM	VKP
Wednesday, 15/1/2020  <b>Segaria Palm Oil Mill</b>	0830 – 1230	<b>Supply chain audit for Segaria Palm Oil Mill (RSPO):</b> <ul style="list-style-type: none"> <li>• General COC for supply chain</li> <li>• RSPO rules communication and claim Module D: Identity Preserved</li> </ul>	✓	✓	-
		<b>Segaria Palm Oil Mill (MSPO):</b> Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	-	-	✓
	1230 – 1330	Lunch break	✓	✓	✓
	1330 – 1630	<b>Segaria Palm Oil Mill (MSPO):</b> Document review (MS2530:2011 Part 4): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting	✓	✓	✓
	1630 – 1700	Interim briefing	✓	✓	✓
Thursday 16/1/2020  <b>Segaria Estate</b>	09:00 – 12:30	<b>Segaria Estate (MSPO):</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	✓	✓	✓
	10:30 – 12:30	<b>Meeting with stakeholders</b> (Government, village rep, smallholders, Union Leader, contractor etc.)	✓	-	-
	12:30 – 13:30	Lunch break	✓	✓	✓
	13:30 – 16:30	<b>Segaria Estate (MSPO):</b> Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices	✓	✓	✓
	16:30 – 17:00	Closing meeting	✓	✓	✓
Friday, 17/1/2020	1115 – 1345	Travel back to KL via MAS Flight MH 2661	✓	✓	✓

### Section 3: Assessment Findings

#### 3.1 Details of audit results

This assessment has been assessed using the following MSPO normative requirements. The assessment details are provided in Appendix A.

- MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills

#### 3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Certification Assessment there was one (1) Major nonconformity raised. The Boustead Segaria POM and Supply Base Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the Corrective Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly.

Major Nonconformities:		
<b>Ref:</b> 1873667-202001-M1	<b>Area/Process: Segaria POM</b>	<b>Clause: Part 4: [4.5.1.2]</b>
	<b>Issue Date: 16/1/2020</b>	<b>Due Date: 14/4/2020</b>
Requirements:	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations	
Statement of Nonconformity:	The environmental management plan was inadequately cover.	
Objective Evidence:	Found the aspect and impact for new housing construction for mill was not been include in the aspect impact analysis dated Jan 2020.	
Corrections:	Immediately prepare assessment the potential EAI for new housing construction.	
Root cause analysis:	The management has implemented EAI but not reviewed and updated.	
Corrective Actions:	The management will ensure EAI conducted regularly to any new projects or operational improvements/changes.	
Assessment Conclusion:	As per document Environmental aspect and impact dated 21 Jan 2020, the construction already been included in the EIA, thus the corrective action and evidence found to be adequate to close the NCR on 5 March 2020. The effectiveness of implementation shall be verified in the next assessment.	

Opportunity For Improvement		
<b>Ref: Nil</b>	<b>Area/Process:</b>	<b>Clause:</b>

Objective Evidence:	Nil
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Noteworthy Positive Comments	
1.	Good cooperation with the operating unit.
2.	Good hospitality and arrangement regarding to transportation and facilities.
3.	Good retrieval document time.

**3.3 Status of Nonconformities Previously Identified and OFI**

Major Nonconformities:		
<b>Ref:</b> 1735572-201901-M1	<b>Area/Process: Segaria Estate</b>	<b>Clause: Part 3: [4.4.5.6]</b>
	<b>Issue Date: 1/2/2019</b>	<b>Close Date: Closed on 2/4/2019</b>
Requirements:	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.	
Statement of Nonconformity:	Document for contract of employments was not available for some foreign workers.	
Objective Evidence:	Workers were found being employed without having the work agreement as per following: - Worker name: Serlito G. Sumilhig; Sex: Male; Nationality: Philippine - Worker name: Rosemarie Caangay Estimo; Sex: Female; Nationality: Philippine - Worker name: Grace Fui Ling; Sex: Female; Nationality: Philippine - Worker name: Latang Bin Padang; Sex: Male; Nationality: Indonesia - Worker name: Nilorin A. Canoy; Sex: Male; Nationality: Philippine - Worker name: Jubaira Jimlani; Sex: Female; Nationality: Philippine	
Corrections:	Expedite legalization process then prepare new fresh work agreement for them	
Root cause analysis:	Expiry of valid passport and work pass during retention at Immigration Department of Semporna District for renewal purpose.	
Corrective Actions:	Contract agreement must be available for new recruit/engage worker prior to start work.	
Assessment Conclusion:	Evidence verified during Major Close Out: 1. Expedite follow-up email with agent 2. Re-application to ambassador through agent 3. Work agreement copy sample All the evidence sighted found adequate. Thus, Major NC was closed on 02/04/2019.	
Verification Statement	Documentations of pay available in the form of Monthly Pay Slip and conditions as per Work Agreement Contract as per sample sighted as following: - Employee ID # 1912; Date joined: 1/10/2012; Post: Harvester; Nationality: Indonesia	

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	<ul style="list-style-type: none"> <li>- Employee ID # 2245; Date joined: 1/1/2018; Post: Driver; Nationality: Malaysia</li> <li>- Employee ID # 2490; Date joined: 26/12/2010; Post: General Worker; Nationality: Indonesia</li> <li>- Employee ID # 1875; Date joined: 26/2/2010; Post: Manurer; Nationality: Indonesia</li> </ul> <p>Conditions of pay documented in employee work agreements which is based on new Minimum Wages Order 2019 with pricing list for piece-rate workers i.e. Boustead Estate Harvesting Rate for Checkroll Harvesters for Year 2019/2020. The workers agreement still valid and available in operating unit, No recurrence of issue and therefore the NC remains closed.</p>
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Major Nonconformities:		
<b>Ref:</b> 1735572-201901-M2	<b>Area/Process:</b> Segaria Mill	<b>Clause:</b> Part 4: [4.4.5.5]
	<b>Issue Date:</b> 1/2/2019	<b>Due Date:</b> Closed on 2/4/2019
Requirements:	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.	
Statement of Nonconformity:	The records that provide an accurate account of all employees was not available for some foreign workers employed not according to special labour policy and procedures.	
Objective Evidence:	List of workers already employed (Senarai Pekerja Filipina - Passport Baru) not according to Foreign Labour Policy (Date Approved : 13/4/2016) and Foreign Workers Procedure (Issue 1; Date of issue: Jan 2016; Rev. # 1; Date Approved: 25/1/2016)	
Corrections:	Correction has been made by calling the respective Staffs for short briefing/training session on SOP's to ensure new task/duty is duly understand.	
Root cause analysis:	The person in-charge who monitor in respect the engagement of new foreign worker was not well verse with Foreign Labour Policy and Foreign Workers Procedure.	
Corrective Actions:	Provide necessary training where's new task allocate to subordinate.	
Assessment Conclusion:	Evidence verified during Major Close Out: 1. Briefing to PIC and memo All the evidence sighted found adequate. Thus, Major NC was closed on 02/04/2019.	
Verification Statement	Sighted the records that provide an accurate account of all employees. There was employment contracts for staff and workers. Pay and conditions are documented and are above the Minimum Wage Order 2016. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. The daily rate for the workers was stated in the contract was in-line with Minimum Wage Order 2018.	

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	<ul style="list-style-type: none"> <li>- Employee ID # 0318B; Date joined: 14/2/1998; Workstation: Sampling boy; Nationality: Malaysia</li> <li>- Employee ID # 0112H; Date joined: 1/11/2009; Workstation: Sprinkler Operator; Nationality: Malaysia</li> <li>- Employee ID # 0337A; Date joined: 4/10/2015; Workstation: Ramp Operator; Nationality: Indonesia</li> <li>- Employee ID # 0472I; Date joined: 26/9/2018; Workstation: Fitter Apprentice; Nationality: Malaysia</li> <li>- Employee ID # 0224F; Date joined: 4/11/2008; Workstation: USB Collector; Nationality: Malaysia</li> <li>- Employee ID # 0209E; Date joined: 26/8/2005; Workstation: Line Sweeper; Nationality: Malaysia</li> </ul> <p>No recurrence of issue and therefore the NC remains closed.</p>
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Major Nonconformities:		
<b>Ref:</b> 1735572-201901-M3	<b>Area/Process:</b> Segaria Estate	<b>Clause:</b> Part 3: [4.5.6.1]
	<b>Issue Date:</b> 1/2/2019	<b>Due Date:</b> Closed on 2/4/2019
<b>Requirements:</b>	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: <ul style="list-style-type: none"> <li>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</li> <li>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</li> </ul>	
<b>Statement of Nonconformity:</b>	The information of high biodiversity was not available.	
<b>Objective Evidence:</b>	Boused Segaria Estate engaged an external HCV assessor (Malaysia Environmental Consultant – MEC) to conduct a comprehensive assessment to cover both planted area and relevant wider landscape-level considerations. However, the full report was yet to be issued by MEC.	
<b>Corrections:</b>	To follow up with BEA Sustainability section at HQ. E-mails dated 01/02/2019 and 07/02/2019 to MEC (Evironmental Consultant) was been delivered as to urge them expedite full report submission.	
<b>Root cause analysis:</b>	Full HCV report not yet submitted by external HCV assessor (Malaysia Environmental Consultant)	
<b>Corrective Actions:</b>	Management plan will be done and implement once HCV report obtained.	
<b>Assessment Conclusion:</b>	Evidence verified during Major Close Out:- <ol style="list-style-type: none"> <li>1. Follow-up Emails dated 1/2/2019 &amp; 7/2/2019</li> <li>2. Extracts of HCV report November 2017 by MEC</li> <li>3. HCV Management Action Plan 2019</li> </ol> All the evidence sighted found adequate. Thus, Major NC was closed on	

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	02/04/2019.
Verification Statement	The High Conservation Value assessment report was available dated November 2018 by Malaysian Environmental Consultant Sdn Bhd. This HCV report cover the identification of high biodiversity value habitat in Segaria estate. From the report, there are HCV 1,2,3 and 4 in segaria estate with total 143.9 Ha. The management plan was available verified with implementation. No recurrence of issue and therefore the NC remains closed.

<b>Major Nonconformities:</b>		
<b>Ref:</b> 1735572-201901-M4	<b>Area/Process:</b> Segaria Estate	<b>Clause:</b> Part 3: [4.4.4.2]
	<b>Issue Date:</b> 1/2/2019	<b>Due Date:</b> Closed on 2/4/2019
Requirements:	The occupational safety and health plan shall cover the following: j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	
Statement of Nonconformity:	Some accident records was not kept and reviewed	
Objective Evidence:	In estate, Audiometric test done on 27 October 2018, found 4 hearing impairment from 5 participant (Workers ID:1211,1460,1504 & 2230) not declared under JKKP 7 and JKKP 8	
Corrections:	Liaise with respective Assessor then immediately notify DOSH through JKKP7 and quickly do amendment of JKKP8 for year 2018.	
Root cause analysis:	Misinterpretation between Estate Management and Assessor.	
Corrective Actions:	Timely JKKP7 submission upon test result discussion which clearly agreed by both parties.	
Assessment Conclusion:	Evidence verified during Major Close Out:- 1. Records of JKKP 8 (Akuan Penerimaan Pendaftaran JKKP 8; Ref. # JKKP 8/37789/2018; Date: 30/3/2019 2. Letter by Busted Estate and Acknowledgement email by DOSH of cancellation of previous submitted JKKP 8; Date: 27/3/2019 All the evidence sighted found adequate. Thus, Major NC was closed on 2/04/2019.	
Verification Statement	Records of all accidents were kept in the estate and reviewed at quarterly intervals during the JKKP Meeting. Lost Time Incident are monitored by the estate and records were sighted in the estate. A total of 3 cases (11 days) were reported for the year 2019. No recurrence of issue and therefore the NC remains closed.	

<b>Major Nonconformities:</b>		
<b>Ref:</b> 1735572-201901-M5	<b>Area/Process:</b> Segaria Palm Oil Mill	<b>Clause:</b> Part 4: [4.5.1.3]
	<b>Issue Date:</b> 1/2/2019	<b>Due Date:</b> Closed on 2/4/2019
Requirements:	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored	

Statement of Nonconformity:	A waste management and disposal plan to avoid or reduce pollution was not effectively implemented
Objective Evidence:	During site visit in Segaria POM, found decanter cake and boiler ash was not stored properly due to emergency situation caused by installation of new decanter machines
Corrections:	Immediately clear off the decanter cake for fertilizer.
Root cause analysis:	Underestimate of decanter cake produced caused by the installation of new decanter machine.
Corrective Actions:	To prepare the dedicated storage area for decanter cake and to propose for Budget 2020 for concrete storage area for decanter cake.
Assessment Conclusion:	Evidence verified during Major Close Out:- 1. Clearance of temporary/improper decanter cake and boiler ash area in front of mill 2. Construction of permanent/proper decanter cake and boiler ash area behind the mill 3. Transport of decanter cake and boiler ash weighbridge ticket 4. Records of decanter cake application within Segaria Estate fields All the evidence sighted found adequate. Thus, Major NC was closed on 02/04/2019.
Verification Statement	During site visit verification the decanter cake and boiler ash was stored properly and used by estate for land application. Thus Major NC remain close.

### 3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1559774-201712-M1	Major	8/12/2017	Closed on 19/1/2018
1559774-201712-M2	Major	8/12/2017	Closed on 19/1/2018
1559774-201712-M3	Major	8/12/2017	Closed on 19/1/2018
1559774-201712-M4	Major	8/12/2017	Closed on 19/1/2018
1559774-201712-M5	Major	8/12/2017	Closed on 19/1/2018
1559774-201712-M6	Major	8/12/2017	Closed on 19/1/2018
1735572-201901-M1	Major	1/2/2019	Closed on 2/4/2019
1735572-201901-M2	Major	1/2/2019	Closed on 2/4/2019
1735572-201901-M3	Major	1/2/2019	Closed on 2/4/2019
1735572-201901-M4	Major	1/2/2019	Closed on 2/4/2019
1735572-201901-M5	Major	1/2/2019	Closed on 2/4/2019
1873667-202001-M1	Major	16/1/2020	Closed on 5/3/2020

**3.5 Issues Raised by Stakeholders**

IS #	Description
1	<p><b>Feedbacks:</b> <u>Mill and estate vendors (Contractors &amp; Suppliers)</u>            The payment received is within the timeline. It was a long term business relationship and no other issue.</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
2	<p><b>Feedbacks:</b> <u>SK Ladang Segaria Teacher</u>            Estate management helped a lot in school children programs and actively participating in events organized by Teachers and Parents Association (PIBG). Look forward to continuous good relationship.</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
3	<p><b>Feedbacks:</b> <u>CLC Teacher</u>            Estate and mill management assist a lot on promoting and ensuring all foreign workers' children to attend schooling at CLC. Sufficient facilities provided by company for CLC operation.</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
4	<p><b>Feedbacks:</b> <u>Crèche Minders</u>            Sufficient caretakers provided to all employees' children during working hour. Good facilities maintained for crèche operation</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
5	<p><b>Feedbacks:</b> <u>Segaria POM Canteen operator</u>            The canteen operated from morning until evening. The water used for cook and drinks are come from clean water supply from house which they bring themselves.</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> No other issue.</p>



**Section 4: Assessment Conclusion and Recommendation**

<b>Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings</b>	
Based on the findings during the assessment <i>Boustead Segaria POM and Supply base</i> Certification Unit complies with the <b>MS 2530-3:2013 &amp; MS 2530-4:2013</b> . It is recommended that the certification of Boustead Segaria POM and Supply base Certification Unit is approved and/or continued.	
<b>Acknowledgement of Assessment Findings</b>	<b>Report Prepared by</b>
<b>Name:</b> Muguthan A/L Mariappan	<b>Name:</b> Muhamad Naquiuddin Mazeli
<b>Company name:</b> Boustead Emastulin Sdn Bhd Segaria Palm Oil Mill	<b>Company name:</b> BSI Service (M) Sdn Bhd
<b>Title:</b> Mill Manager/Engineer	<b>Title:</b> Client Manager
<b>Signature:</b>  <b>Date:</b> 21 April 2020	<b>Signature:</b>  <b>Date:</b> 20 April 2020

**Appendix A: Summary of the findings by Principles and Criteria**

**A) MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders – Segaria Estate**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	A policy for the implementation of MSPO shall be established. - <b>Major compliance</b> -	The MSPO Policy was established where the policy was signed by Sr General Manager of Boustead Plantations Berhad on 1/11/2014.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize commitment to continual improvement. - <b>Major compliance</b> -	The policy was emphasize on the engagement and commitment to produce sustainable palm oil with the objective of improving the milling and estate operation.	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - <b>Major compliance</b> -	Internal Audit was conducted once a year by Sustainability section, the internal audit was conducted on 18-20/11/2019 to cover the entire criterion stated in the standard. Internal audit was led by Mr Hafizi Boniran and assist by 2 auditors as team members. During the internal audit, there was 3 Major NCR, and 5 OFIs were issued. All the findings were in progress of closure.	Complied
<b>4.1.2.2</b>	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. - <b>Major compliance</b> -	Internal audit procedure dated July 2015 was established by the management to include audit frequency, audit schedule, audit team, performing audit, audit responsibility and etc. Internal audit shall be carried out once a year.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
<b>4.1.2.3</b>	Report shall be made available to the management for their review. - <b>Major compliance</b> -	All records related to Internal Audit was maintained and available at Segaria estate visited for review.	Complied
<b>Criterion 4.1.3 – Management Review</b>			
<b>4.1.3.1</b>	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - <b>Major compliance</b> -	The management review was conducted accordingly. The 2 <sup>nd</sup> Management Review was conducted on 20/11/2019 which was chaired by Sustainability Chairman. All the committee members were involved during this Management Review. All the agenda were found adequate.	Complied
<b>Criterion 4.1.4 – Continual Improvement</b>			
<b>4.1.4.1</b>	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - <b>Major compliance</b> -	The Continuous Improvement Plan for 2019 at Segaria Business Unit sighted as follow: 1. To replace old vehicle into new vehicle for reduce GHG Emission 2. Do the daily maintenance record to monitor the condition for vehicle for reduce High fuel consumption 3. To planting beneficial plant to increase biological control in estate 4. To proper selection of herbicide use low active ingredients for minimize use herbicide 5. To construct new mosque for workers	Complied
<b>4.1.4.2</b>	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.	Currently, there was no new techniques or technology that implemented at Segaria Estate. However, the estate continue with its latest Continual Improvement Plan since 2019 for the implementation of following:	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ol style="list-style-type: none"> <li>1. Cummins Genset</li> <li>2. Sincos Post Hole Digger (Auger)</li> <li>3. Water Reservoir/Tank</li> </ol>	
4.1.4.3	<p>An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.</p> <p>- Major compliance -</p>	<p>The Continuous Improvement Plan for 2019 at Segaria Business Unit sighted as follow:</p> <ol style="list-style-type: none"> <li>1. To replace old vehicle into new vehicle for reduce GHG Emission</li> <li>2. Do the daily maintenance record to monitor the condition for vehicle for reduce High fuel consumption</li> <li>3. To planting beneficial plant to increase biological control in estate</li> <li>4. To proper selection of herbicide use low active ingredients for minimize use herbicide</li> <li>5. To construct new mosque for workers</li> </ol>	Complied
<b>4.2 Principle 2: Transparency</b>			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>Segaria Estate has maintained records of request and response, land titles, OSH plans and etc relating to environmental and social issues, plans for pollution prevention, complaints and grievances records that make available upon request.</p>	Complied
4.2.1.2	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental</p>	<p>Segaria Estate holds copies of each of the management documents that are required to be publicly available. Copies of the document such as documents related to environmental and social issues, plans for pollution prevention, records of complaints and grievances were</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	or social outcomes. <b>- Major compliance -</b>	available upon request. All the policies such as Pesticide Use Policy, Human Rights Policy, Foreign Workers Policy were publicly available in the company's website: <a href="http://www.bousteadplantations.com.my">www.bousteadplantations.com.my</a> . Others sustainability practices were also available in the website.	
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders. <b>- Major compliance -</b>	Boustead Emastulin Sdn Bhd has developed a Communication Procedure. The procedure is to handle communication for internal and external stakeholders. The methods of communication such as formally write in, through phone call, discussion or meeting and etc. External Communication Form (PKSJ-001) and Communication Record (PKSJ-002) was implemented.	Complied
<b>4.2.2.2</b>	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. <b>- Minor compliance -</b>	As per letter ref. <i>Perlantikan Sebagai Pegawai Perhubungan Bagi Sosial Impact Assessment 2019 &amp; 2020</i> ; dated 9/1/2019; Segaria Estate appointed management officer are: Name: Mr. Musliadil Bin Maggu; Post: Field Supervisor Name: Ms. Maslina Binti Lading; Post: Office Clerk Segaria Estate management also delegated employees with dedicated responsibilities related to MSPO implementation as per sighted List of People Responsible for Various Aspect of MSPO.	Complied
<b>4.2.2.3</b>	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. <b>- Major compliance -</b>	Stakeholder list FY 2020 was available in Segaria Estate. The list has included contractors and suppliers, government authorities, school's representatives and etc. Latest external stakeholder meeting conducted on 29/10/2019 involved relevant stakeholders such as government authorities, school's representatives, contractors, internal workers and etc. were briefed on all the RSPO principles and criteria.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Estate internal stakeholder meeting was conducted on 12-13/11/2019 attended by all staff and employees.	
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). <b>- Major compliance -</b>	Segaria Palm Oil Mill implemented the supply chain program based on Bousted Plantations Supply Chain (SCC) Procedures; Issue 1; Issue date: July 2016; Rev. # 2; Rev. date: October 2017. The procedure was prepared by SJPOM and approved by RSPO Chairman which covering the implementation of all supply chain requirements.	Complied
<b>4.2.3.2</b>	The management shall conduct regular inspections on compliance with the established traceability system. <b>- Major compliance -</b>	Regular inspections on compliance with the established traceability system were conducted through periodical internal audit as specified in Criterion 4.1.2 of this checklist. Furthermore, a Standard Operating Procedure; Effective date: 2/5/2012; Chapter 1: Administrative Procedure; Section 1.1 Internal Office Control sighted available that described the routine responsibilities of estate management and staff to conduct related inspections on compliance of all operations including traceability system. Verification on site confirmed the inspections were regularly implemented accordingly.	Complied
<b>4.2.3.3</b>	The management should identify and assign suitable employees to implement and maintain the traceability system. <b>- Minor compliance -</b>	The procedure also specified the RSPO Chairman shall have the overall responsibility for the implementation of the procedure with assignment of relevant personnel from various departments to assist in the implementation. Sighted the Letter of Appointment; Ref. # BEA/SUST-RSPO/SEGARIABU; Dated: 1/11/2017 for the appointment of Mill Manager as the Sustainability Chairman for Segaria Palm Oil Mill. Appointment made by the company group RSPO Chairman i.e. the Planting Advisor.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. <b>- Major compliance -</b>	Records of FFB sales & delivery including FFB Weighbridge Tickets together with FFB Delivery Note (DO Chit) and Daily Record (Daily FFB Despatch Summary Log Book) were maintained based on Standard Operating Procedure; Effective date: 2/5/2012; Chapter 7: Sales of Produce Ex-Estate/Mill Procedures; Section 7.1 FFB Sales and Despatches & Chapter 13: Retention of Documents which specified a minimum retention period of 7 years prior of disposal. Sighted samples record available as following: i) Despatch Note: A108415; Weighbridge Ticket: 107588; Date: 30/11/2019; Field: PM08F1/46B; Tonnage: 8.49 mt; Transporter: ST8320D ii) Despatch Note: A10665; Weighbridge Ticket: 105530; Date: 28/09/2019; Field: PJ10E1/64; Tonnage: 8.89 mt; Transporter: SS541E	Complied
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. <b>- Major compliance -</b>	The list of permit and license required for the operations of the estate were sighted. The sample of permit and license: Segaria Estate 1. SSM license for Emastulin Automobile Sdn Bhd (Segaria estate) dated 14 July 2009 2. License for Diesel from KPDNHEP referred letter KPDNHEP SPN 600-1/7/2013/36(P) dated 10 Jan 2020. 3. License for business referred letter SPA /2020/395 valid until 31 December 2020.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		4. License for hired foreigner from JTK Sabah (B-000002/10) valid until 23 Oct 2020 5. MPOB License 504677002000 valid until 31 March 2020 6. Air Receiver SB PMT 13364 valid until 13 April 2020	
<b>4.3.1.2</b>	The management shall list all laws applicable to their operations in a legal requirements register. <b>- Major compliance -</b>	LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The sample of Act and Legal: 1. Minimum Wages Order 2018 2. Sabah Labour Ordinance 1950 3. OSHA 1994 4. FMA 1967 5. Uniform Building By Law 1984 6. Pesticide Act 1974 7. Electrical Supply (Amendment) Act 2015 8. Fire Services Act 9. Environmental Quality Act 10. Local Government Act	Complied
<b>4.3.1.3</b>	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. <b>- Major compliance -</b>	LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The sample of Act and Legal: 1. Minimum Wages Order 2018 2. Sabah Labour Ordinance 1950 3. OSHA 1994 4. FMA 1967	Complied



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Criterion / Indicator		Assessment Findings	Compliance
		5. Uniform Building By Law 1984 6. Pesticide Act 1974 7. Electrical Supply (Amendment) Act 2015 8. Fire Services Act 9. Environmental Quality Act 10. Local Government Act 11. Code of Practise For Safe Working In a Confined Space, 2010 Last updated was done on 15/7/2019.	
<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. <b>- Minor compliance -</b>	Tracking system available to identify changes in the relevant regulations through head office, sustainability team, website information and the information are communicated from the Head Office (Sustainability Section). Boustead Plantations Berhad have centralised system for tracking any changes in the law and subscribe into Lawnet. The latest updated was done on 15/7/2019.	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. <b>- Major compliance -</b>	Segaria Estate hold 3 land title (under Boustead Emastulin Sdn Bhd: 1. Provisional Lease : 26290060 dated 24/10/74 (7,317 Acre) Ref No:L.S.1210/1/3/II,25/8/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd 2. Provisional Lease : 126290122 dated 1/1/65 (4,012 acres) Ref. No: L.S.1210.1.3/II, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd 3. Provisional Lease : 125311284 dated 17/4/75 (398.9 Acres) Ref. No: L.S.1210.1.319, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p><b>- Major compliance -</b></p>	<p>Segaria Estate hold 3 land title (under Boustead Emastulin Sdn Bhd:</p> <p>1. Provisional Lease : 26290060 dated 24/10/74 (7,317 Acre) Ref No:L.S.1210/1/3/II,25/8/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd</p> <p>2. Provisional Lease : 126290122 dated 1/1/65 (4,012 acres) Ref. No: L.S.1210.1.3/II, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd</p> <p>3. Provisional Lease : 125311284 dated 17/4/75 (398.9 Acres) Ref. No: L.S.1210.1.319, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd</p>	Complied
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p><b>- Major compliance -</b></p>	<p>The boundary between Segaria estate and Hatawa was clearly demarcated and visibly maintained using red circle and boundary marker, and there is no planting beyond these legal or authorised boundaries.</p>	Complied
4.3.2.4	<p>Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).</p> <p><b>- Minor compliance -</b></p>	<p>There is no land dispute in the Segaria Certification Unit at the time of audit. The lands are country leased and provisional lease to Boustead Emastulin Sdn Bhd via verified with the land titles. The surrounding are owned by smallholders and other plantation's companies. There was no encroachment of land by the Segaria Certification Unit. Notwithstanding, in case necessary, compensation process will be according Fair Compensation Procedure (Procedure 6.4.1); Ref. # 1; issued date: 4/2/2015; version 01. The procedure has clearly stated the process of negotiation and compensation if any land disputes with Legal Department. If the negotiation process failed, legal proceedings will be the next action.</p>	Complied
<p><b>Criterion 4.3.3 – Customary rights</b></p>			

Criterion / Indicator		Assessment Findings	Compliance
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - <b>Major compliance</b> -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and painted the palms to differentiate the land boundaries. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Complied
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - <b>Minor compliance</b> -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and painted the palms to differentiate the land boundaries.	Complied
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - <b>Major compliance</b> -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit. Trenches, wooden pegs and boundary stones were maintained to differentiate the land ownership.	Complied
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - <b>Minor compliance</b> -	Social impacts plans were based on the documented Social Impact Assessment Segaria Estate and Mill Semporna, Sabah Malaysia, November 2017; Size of Assessment: 3,071.6 ha (Main Division); 1,393.5 ha (Sipit Division); Date of Assessment: 27/9 – 1/10/2017; Date of Report: 30/11/2017 by Malaysia Environmental Consultant (MEC). The plan established as Management Plan on Social Impact Assessment for the Year 2018; Reviewed & Updated on Apr. 2018 includes mitigation plan for following:	Complied

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		<p>Many workers and their families hold expired passports and work permits (or dependent permits)</p> <p>Many workers also do not possess work permits</p> <p>Some workers including undocumented workers do not have the legal documents – no passports nor work permits</p> <p>No consent letter from workers permitting the company to hold on to their passports</p> <p>Company also does not have a letter from the agency to state that the passports or work permits are held by the agency or work permits are held by the agency or Malaysian Immigration for renewal purposes</p> <p>No established system or master list to track expiry dates and to track the location of passports</p>	
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p><b>- Major compliance -</b></p>	<p>The company has developed Whistleblowing Policy dated 11/1/2011 signed by Senior General Manager. The company has prepared a formal mechanism to handle all the complaints reported. A Complaint/ Suggestion Flowchart was available where it explained the procedure to lodge complaints.</p>	Complied
<b>4.4.2.2</b>	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p><b>- Major compliance -</b></p>	<p>Segaria Estate has implemented Request and Response form and Complaint/ Suggestion form to record any requests, complaints and grievances by the stakeholders. The estate management has taken action or planned action to rectify the complaints raised by the stakeholders. Record shown latest complaints dated 20/12/2019 as per Borang Cadangan/Aduan Segaria Estate was resolved on 21/12/2019.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - <b>Minor compliance</b> -	The complaint form was available at the office. Besides, suggestion box was available in the linesite and office area where the stakeholders are able to lodge complaint or suggestion at any time.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - <b>Minor compliance</b> -	Interview conducted with internal and external stakeholder during stakeholder consultation found that they were aware of the complaint procedure and were briefed by the management during stakeholder meeting.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - <b>Major compliance</b> -	The management has started to implement the complaint form since October 2017. The records of complaint were available from October 2017 up to date.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - <b>Minor compliance</b> -	Contributions to local development were demonstrated as per consultation with local communities. Based on stakeholder consultation, it was noted that local communities are always been prioritized in case of vacancy within mill and estate. Almost 90% of mill employee are local Semporna and/or nearby districts residents. Interviewed estate contractors revealed that they are local Semporna contractor and some from Kunak, Sabah. Sighted the sample contributions made as following: Contribution for "Back to School" haircut program and banner on 01/2019 Donation to PERKEP IPD Semporna "Ladies Night" program on 01/2019	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Contribution to Tennis Tournament MSS Sabah 2019 on 03/2019 Contribution of transport for NAPSIR-CLC program on 10/2019 Donation for OCPD Cup Football Tournament on 10/2019	
<b>Criterion 4.4.4: Employees safety and health</b>			
<b>4.4.4.1</b>	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. <b>- Major compliance -</b>	An Occupational Safety and Health Policy is available in the organization. An OSH Manual is available in the estate (OSH/001/2015) dated 7 Dec 2015. An OSH Plan was available in the form of "important areas" and the trainings required for the respective personals for the year 2020.  The OSH policy and plan are regularly communicated to the staffs and workers during the morning briefings and OSH Meetings.  Interview with staff and workers revealed that all working safe operating procedures, OSH Policy and plans are being consistently implemented among all employees and monitored by the management through daily muster briefing, training, checklists and etc.	Complied
<b>4.4.4.2</b>	The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: i. all employees involved shall be adequately trained on safe working practices	a) The OSH Policy have been communicated with workers and staff during Polisi Training conducted by the estate on the 6th and 8th November 2019.  b) Boustead Plantations have implemented a SOP that states the importance of risk assessment through HIRARC (Date of Issue : 14 <sup>th</sup> March 2011). All work units that have been identified to have	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>ii. all precautions attached to products shall be properly observed and applied</p> <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p>	<p>potential risks are documented. Mitigation plans and control procedures such as PPE, Administrative Control and Trainings were documented.</p> <p>c) The estate have implemented a training plan for the year 2020 which is divided into 3 training programs namely Maintenance Training Programme, OSH &amp; RSPO Training Programme and Operations Training. This training programme is used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.</p> <p>d) All workers were provided with appropriate PPE as identified in the HIRARC where the cost are bared by the management. Interviews conducted during the site visit at the Estate showed understanding and awareness from the workers that:</p> <ul style="list-style-type: none"> <li>• The management bares the cost of all PPEs and the workers are entitled to effective and appropriate PPE.</li> <li>• The importance of using required PPE at all times during work.</li> <li>• Proper storage and disposal methods of PPE</li> </ul> <p>e) SOPs for Best Practices of Chemical Handling were available in the estate under the Oil Palm Manual. Chemicals were found stored in the estate's Chemical Store in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974 (Act 149) and their Regulations. The stores were at all times locked and at the time of visit the store clerk was seen to unlock the pad-lock to open entrance door for</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<p>auditor to inspect the store. At the entrance door, signage-requiring donning of PPE were visibly posted. The Chemical Store signage with required Hazard Symbols were available at the entrance. The facility ventilation fan was found working with adequate ventilation available, up-to-date chemical register, trade and generic names, and their Safety data Sheet were available.</p> <p>f) The estate has appointed Tn. Christopher Lim as the Chairman of the Safety Committee 2019/2020. He has knowledge and access to latest national regulations and collective agreements kept in the estate office for reference and guidance.</p> <p>g) The estate conducted regular JKKP Meetings with the staffs and workers to address OSH issues within the estate. 4 meetings were conducted in the year 2019 dated 27.03.2019, 26.06.2019, 18.09.2019 and 11.12.2019. Issues raised by the workers and staffs were addressed by the management and documented in the meeting minutes.</p> <p>h) Accident &amp; Emergency Response Plans are available for Emergency Contact Number, Emergency Evacuation, First Aid Locations, Fire Extinguisher Locations, Emergency Response Plans (Fire, Chemical Spillage, Chemical Contamination, Flood and Accident) and displayed at strategic locations around the mill, estate office and stores. The competent personals are appointed and trained to be part of the Emergency Response Team. Appointment letters were sighted in the estate.</p>	



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		<p>i) The assigned first aiders were present at the site visited. They showed understanding on the contents and usage of the items in the First Aid Kits. First aid kits were available at the sampled locations mentioned in the First Aid Kit Location Map. Sampled First aid Kit boxes showed regular maintenance and records of the usage.</p> <p>j) Records of all accidents were kept in the estate and reviewed at quarterly intervals during the JKKP Meeting. Lost Time Incident are monitored by the estate and records were sighted in the estate. A total of 3 cases (11 days) were reported for the year 2019.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>Boustead Plantations Berhad has developed Human Rights Policy dated 11/1/2016 signed by Senior General Manager. The company is committed to ensure every individual are treated with fairness, dignity and respect. The company will respect the rights of every individual. They also recognize their responsibilities to respect human rights and avoid complicity in human rights abuses.</p> <p>Latest communication of the policy was conducted in the meeting conducted on 13/11/2019 between Segaria Estate management and workers representatives as per Minit Mesyuarat Perundingan Internal Stakeholder Ladang Segaria – Staff, Persatuan, Wakil Pekerja. Furthermore, the policy displayed on the notice board outside the office.</p>	Complied
<b>4.4.5.2</b>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion,</p>	<p>Boustead Plantations Berhad has established Equal Opportunities Policy dated 11/1/2011 signed by Senior General Manager. The company will ensure all the relevant parties will be treated equally and</p>	Complied

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	<p>nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>no discrimination based on race, caste, nationalities, religion, gender, age and etc. Interviewed with the workers from different nationalities, gender and age confirmed that no discrimination was occurred in the estate.</p>	
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p><b>- Major compliance -</b></p>	<p>Documentations of pay available in the form of Monthly Pay Slip and conditions as per Work Agreement Contract as per sample sighted as following:</p> <p>Employee ID # 1912; Date joined: 1/10/2012; Post: Harvester; Nationality: Indonesia</p> <p>Employee ID # 2245; Date joined: 1/1/2018; Post: Driver; Nationality: Malaysia</p> <p>Employee ID # 2490; Date joined: 26/12/2010; Post: General Worker; Nationality: Indonesia</p> <p>Employee ID # 1875; Date joined: 26/2/2010; Post: Manurer; Nationality: Indonesia</p> <p>Employee ID # 1999; Date joined: 1/10/2016; Post: Loose Fruit Collector; Nationality: Malaysia</p> <p>Employee ID # 2654; Date joined: 1/1/2019; Post: Harvester; Nationality: Malaysia</p> <p>Employee ID # 2511; Date joined: 1/7/2018; Post: Loose Fruit Collector; Nationality: Indonesia</p> <p>Employee ID # 1840; Date joined: 26/9/2010; Post: Gardener; Nationality: Indonesia</p> <p>Conditions of pay documented in employee work agreements which is based on new Minimum Wages Order 2019 with pricing list for piece-rate workers i.e. Boustead Estate Harvesting Rate for Checkroll Harvesters for Year 2019/2020.</p>	Complied

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<b>4.4.5.4</b>	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. <b>- Minor compliance -</b>	The contractors have signed on the contract agreement with the terms of they must comply with legal requirements on the wages for their workers was clearly stated. Sampled of payslips for contractors' workers for the month of November 2019 that have achieved Minimum Wage Order 2019 as below: Workers ID # P7351196A; Nationality: Filipina Workers ID # AU176058; Nationality: Indonesia Workers ID # EC2164829; Nationality: Filipina Workers ID # EC4357545; Nationality: Filipina The contractors' workers also signed on the employment contract where basic salary, annual leave and public holiday entitlement, termination of service and etc was clearly outlined in the contract.	Complied
<b>4.4.5.5</b>	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. <b>- Major compliance -</b>	All the recruited workers will be registered in the Labour Registration Record where personal details such as name, nationality, next of kin, education standard, date of employed, job description, wage rate and date of birth were stated in the registration card.	Complied
<b>4.4.5.6</b>	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. <b>- Major compliance -</b>	Employment contracts were acknowledged and kept a copy by the workers verified through interviewed with the workers. The terms and conditions were clearly stated in the contract such as salary, annual leaves and public holiday entitlement, rate of work on rest day, overtime and etc. employment contracts sighted available for samples of own and contractor's employees in indicator 4.4.5.3 and 4.4.5.4 above.	Complied

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<b>4.4.5.7</b>	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. <b>- Major compliance -</b>	The estate management has maintained Field & General Workers Daily Attendance Record and Oil Palm Harvester Reception Data sheet to record the attendance, tonnage, overtime and etc. for individual workers.	Complied
<b>4.4.5.8</b>	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. <b>- Major compliance -</b>	The working hour and break time has been clearly stated in the employment contract. Besides, the attendance record was available and able to trace through Field & General Workers Daily Attendance Record and Oil Palm Harvester Reception Data sheet.	Complied
<b>4.4.5.9</b>	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. <b>- Major compliance -</b>	Documented payslip was distributed to individual workers on the day of payment. Wages and overtime were paid according to the "Field & General Workers Daily Attendance and Oil Palm Harvester Reception Data". Total hours of overtime and daily attendance has recorded in the time sheet.  Documentations of pay available in the form of Monthly Pay Slip and conditions as per Work Agreement Contract as per sample sighted available for samples of own and contractor's employees in indicator 4.4.5.3 and 4.4.5.4 above.	Complied
<b>4.4.5.10</b>	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. <b>- Minor compliance -</b>	The management provided free medical facilities to all the workers and dependents. Community Learning Centre was available for the children of foreign workers. Free treated water and electricity supply to all the workers.	Complied
<b>4.4.5.11</b>	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities	During site visit to the linesite found that playground, football field, church, mosque and etc. were available and free access to all the	Complied

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	in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. <b>- Major compliance -</b>	workers and dependents. Sundry shop and crèche was available at Segaria Estate.  The workers quarters have adequate clean water supply by estate management, the management also done the analysis to ensure water was safe for domestic use. From the analysis done DYNAKEY Laboratories Sdn Bhd dated 21 September 2019 the water was safe for drinking as per analysis report ref. # 20190712/15.	
<b>4.4.5.12</b>	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. <b>- Major compliance -</b>	A Sexual Harassment Policy signed by Senior General Manager, En. Shoib Abdullah dated 11/1/2011 was in place. Latest communication was conducted in the meeting as per sample records of Minit mesyuarat persatuan wanita kilang kelapa sawit segaria (Pewanis) bil: 01/2019; Date: 27/7/2019. Policy also displayed in strategic location in mill and estate offices.	Complied
<b>4.4.5.13</b>	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. <b>- Major compliance -</b>	Boustead Plantations Berhad has developed Freedom of Association Policy dated 11/11/2011 signed by Senior General Manager, En. Shoib Abdullah and was publicly available on the notice board. The company is committed and allowed their stakeholders such as employees, clients, business partner and etc to form or join any association. The company has established a Workers' Community for the employees to speak freely and the meeting will be conducted once every 3 months.	Complied
<b>4.4.5.14</b>	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national	Boustead Plantations Berhad has developed the Employment of Child and Age Limit Policy dated 11/1/2011. The company adopted the	Complied

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	<p>legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p><b>- Major compliance -</b></p>	<p>Children and Young Persons (Employment) Act 1966 and ILO Convention 138 (1973) Article 1-3. No workers less than 16 years old will be recruited and less than 18 years old for hazardous work.</p>																
<b>Criterion 4.4.6: Training and competency</b>																		
<b>4.4.6.1</b>	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p><b>- Major compliance -</b></p>	<p>The estate has implemented a Training Programme for the year 2019 and 2020 which includes Maintenance Training Programme, OSH Training Programme and Operations Training. This training programme was used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.</p> <p>Sampled Training records are as follows :</p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> <th>Attendees</th> </tr> </thead> <tbody> <tr> <td>Working at Height Training</td> <td>30.23.2019</td> <td>7 Workers</td> </tr> <tr> <td>Triple Rinsing Training</td> <td>21.09.2019</td> <td>10 Workers</td> </tr> <tr> <td>Construction SWP Briefing – (Contractor)</td> <td>12.08.2019</td> <td>6 Workers</td> </tr> <tr> <td>Tractor Driver Training</td> <td>16.07.2019</td> <td>35 Workers</td> </tr> </tbody> </table>	Training	Date	Attendees	Working at Height Training	30.23.2019	7 Workers	Triple Rinsing Training	21.09.2019	10 Workers	Construction SWP Briefing – (Contractor)	12.08.2019	6 Workers	Tractor Driver Training	16.07.2019	35 Workers	Complied
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<b>4.4.6.2</b>	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p><b>- Major compliance -</b></p>	<p>The training needs was established in the estate for the year 2020 identifying the related trainings required for all categories of work. The details of the training needs include categories of job descriptions, sections, and employees group. Included in this program are subjects related to environment e.g. environmental, safety &amp; health policy, scheduled waste management, environmental responsibility, HCV &amp;</p>	Complied															

Criterion / Indicator		Assessment Findings	Compliance
		Biodiversity training, field activities, equipment handling, vehicles maintenance etc.	
<b>4.4.6.3</b>	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. <b>- Minor compliance -</b>	The estate has implemented a Training Programme for the year 2019 and 2020 which includes Maintenance Training Programme, OSH Training Programme and Operations Training. This training programme was used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules	Complied
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. <b>- Major compliance -</b>	Based on the <i>Polisi Alam Sekitar &amp; Biodeversiti</i> (Environmental & Biodiversity Policy); dated 11/1/2011; signed by Senior GM of Bousted Estates Agency Sdn Bhd, the HCV Management Plan has been established as 4 objectives as following: i) Wild Life Conservation Target: to ensure no illegal hunting activities inside or outside the estate perimeter in line with the Protection of Wild Life Act 1972 Action plan: monitoring records of hunting incidences; collaboration with estate workers; local people and stakeholders such as neighboring estate to investigate the extent and reasons for hunting and their awareness; training of estate personnel especially Aps in anti-poaching measures; working closely with local authorities such as Perhilitan to highlight and curtail any illegal activities ii) Waterways Quality and Health Monitoring	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Target: to ensure recommended WQI index met a range of 81 to 100%</p> <p>Action plan: prohibit manuring and herbicide spraying at any point in buffer zone; prohibit application of herbicide/insecticide which classified as highly toxicity chemical; continue application of EFB as substitute fertilizers; monitoring the use of oil and chemical trap constructed to avoid chemical flowing into water source</p> <p>iii) Agricultural Land Contamination</p> <p>Target: to continuously establish and enhance in-estate buffers</p> <p>Action plan: establish 3m buffer zone adjacent to forest reserve; continue the in-estate program of establishment and enhancement of riverine buffer zones; continue planting of wild/natural species of hard word along identified water courses, wetland and biodiversity area</p> <p>iv) Degradation of Agricultural Land</p> <p>Target: to minimize or free from soil erosion at slope/terrace area</p> <p>Action plan: planting LCC such as Pueraria Javanica at along slopes and Mucuna Bracteata; construct terrace at slope area &gt;25o; continue constructing silt pits; conservation of Nephrolepis Biserrata; prohibit spray at any points of sloping banks; continue setting up buffer zone; planting certivar/Guatemala grasses; construct and maintain well drainage system; continue plant timer trees especially in buffer zone area</p> <p>Estate management regularly communicated the above programs to all employees from time to time during morning briefings and quarterly meetings.</p>	



Criterion / Indicator		Assessment Findings	Compliance
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) An environmental policy and objectives;</li> <li>b) The aspects and impacts analysis of all operations.</li> </ul> <p><b>- Major compliance -</b></p>	<p>The environmental management plan covered in the established action plan of significant environmental aspects identified and impacts evaluated as per documents sighted as following:</p> <ul style="list-style-type: none"> <li>- Environmental Aspect and Impact Identification 2017/2018; Serial # EAI/2017/001-1 to EAI/2017/013-4 dated 17/7/2017</li> <li>- Environmental Impact Evaluation Form Serial # EIE/2017/001-1 to EIE/2017/014-4 dated 17/7/2017</li> </ul> <p>Sighted also the <i>Surat Akujanji [Selaras dengan Peruntukan Perenggan 7(1)(b), Perintah Perlindungan Alam Sekitar (Aktiviti yang ditetapkan)/(Penilaian Kesan Alam Sekitar) 2005]</i> for Compliance of <i>Syarat-syarat Alam Sekitar [Seksyen 12(5) dan 20, Enakmen Perlindungan Alam Sekitar 2002]</i> on "Proposed Replanting of Oil Palm Plantation at Segaria Estate in Semporna Sabah"; Ref. JPAS/PP/18/600-1/11/1/101; Dated 25/2/2011. The approval was valid for two years from the date of signing on 25/2/2011. Although no any replanting has been conducted throughout that period (25/2/2011 – 24/2/2013) due to the revised replanting program as specified in indicator 3.1.2 of this checklist, the estate however implemented the relevant management plan for their existing planting which covered all field and facilities operational activities including operation of field upkeeps, machinery repair workshop, spraying and harvesting.</p>	Complied
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>As specified in indicator 4.5.1.1 &amp; 4.5.1.2 above, the visit confirmed that the developed environmental improvement plan to mitigate the negative impacts and to promote the positive ones were effectively implemented and monitored. Sighted the Schedule Waste Inventory Records as one of the environmental improvement plans.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p><b>- Minor compliance -</b></p>	<p>Few environmental plan have been established including waste management action plan, continuous improvement environmental plan and etc. The following was sighted:</p> <ul style="list-style-type: none"> <li>- Segaria Waste Management Action Plan Year 2020</li> <li>- Scheduled wastes management procedure; Issue # 1; Dated June 2017</li> <li>- Continuous Improvement Environmental Plan 2019-2020 such as 3R Waste Management Practices Campaign.</li> </ul>	Complied
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p><b>- Major compliance -</b></p>	<p>The above programs were regularly communicated by estate management to all employees from time to time during morning briefing. The recent specific Triple rinsing training for Chemical handlers were conducted on 29/09/2019 attended by all estate staff and employees.</p>	Complied
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p><b>- Major compliance -</b></p>	<p>Specific Environmental Aspects &amp; Impacts reviews were conducted annually at the estate. Environmental aspects and quality were discussed during the JKPP meeting as part of the agenda.</p>	Complied
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>			
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p> <p><b>- Major compliance -</b></p>	<p>A plan for improving efficiency of the use of fossil fuels was established to include estate quarters, office, meeting room, weighbridge, laboratory and mill operation, fuel consumption at estate Diesel use per mt FFB was monitored every month. The Plan for Improving Fossil Fuel and Palm GHG FY 2017 includes the following:</p> <ul style="list-style-type: none"> <li>- To minimize and limit electrical usage</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance								
		<ul style="list-style-type: none"> <li>- Replace bulb with an energy saving bulb last 10 times longer with 75% less energy</li> <li>- Switch off or unplug any charges or appliances not in use</li> <li>- To put in hibernate or sleep mode for all pc not in use</li> </ul> <p>There was a plan established for improving efficiency of the use of fossil fuel.</p>									
<b>4.5.2.2</b>	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p><b>- Major compliance -</b></p>	<p>The estate have a yearly estimation of energy usage. This estimation is compared to the actual usage on a monthly basis and reported to the head office.</p>	Complied								
<b>4.5.2.3</b>	<p>The use of renewable energy should be applied where possible.</p> <p><b>- Minor compliance -</b></p>	<p>It was sighted at Segaria Estate the mulching was applied responsibly at Field PM08B. EFB is applied at rate of 30 mt/ha as per recommendation by the Agronomist.</p> <p>The applications of mulching are being monitored by the mill and the estate. Sample records for year 2019 are as below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Inorganic Materials</th> <th style="width: 30%;">Mt</th> </tr> </thead> <tbody> <tr> <td>EFB</td> <td>4096.04</td> </tr> <tr> <td>Sludge Cake</td> <td>237.32</td> </tr> <tr> <td>Decanter Cake</td> <td>1357.23</td> </tr> </tbody> </table>	Inorganic Materials	Mt	EFB	4096.04	Sludge Cake	237.32	Decanter Cake	1357.23	Complied
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<b>Criterion 4.5.3: Waste management and disposal</b>			
<b>4.5.3.1</b>	All waste products and sources of pollution shall be identified and documented. <b>- Major compliance -</b>	All waste products and sources of pollution had been identified in Waste Management Action Plan Year 2020 for the estate. Based on the Waste Management Action Plan Year 2020 the following wastes and its sources were identified: - Domestic waste: Rubbish from linesite, office and etc. at Field PM99A - Scheduled waste: SW305, SW306, SW 410 & SW 102 - Recyclable waste: Empty chemical container, empty fertilizer bag, palm fronds, etc.	Complied
<b>4.5.3.2</b>	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products <b>- Major compliance -</b>	As above, all waste products and sources of pollution had been identified in Waste Management Action Plan Year 2020 for the estate. Site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented. Segregation of wastes i.e. general wastes and scheduled wastes were verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes at the estate.	Complied
<b>4.5.3.3</b>	The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. <b>- Major compliance -</b>	Visit to estate field and premises shown the management and disposal plan has been implemented accordingly. Records sighted for SW i.e. Identification Inventory of Scheduled Wastes; Ref.: ASSH/TWU(B)95/130/100/231;  Sampled the latest consignment note for disposal of chemical containers dated 9 <sup>th</sup> January 2020 indicated 59kgs of Chemical Containers were disposed to Lagenda Bumimas Sdn. Bhd. Segaria	Complied

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		Estate, Inventory is available refer 2016022415R9S2KE12020 dated 11 Jan 2020. Generate SW 102,109,110,305,306,403,404,409 and 410. For disposal SW 409 is disposal at Lagenda Bumimas Sdn Bhd Latest disposal for SW 410 is on 27 July 2019 at Lagenda Bumimas Sdn Bhd. Refer consignment note B 001557.	
4.5.3.4	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers. <b>- Major compliance -</b>	Segaria Estate conducted the Triple Rinsing of Empty Chemical Container Training ( <i>Latihan 3 Kali Pembilasan Bekas Racun dan Bahan Kimia</i> ) on 29/09/2019 to all chemical handlers based on the guideline for used plastic pesticide container recycling program (UPPCR).  Sampled the latest consignment note for disposal of chemical containers dated 9 <sup>th</sup> January 2020 indicated 59kgs of Chemical Containers were disposed to Lagenda Bumimas Sdn. Bhd.	Complied
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. <b>- Minor compliance -</b>	The management disposed domestic waste through recycling and also at the landfill. Proper storage areas were identified for the storage of the recyclable wastes. Visit to the landfill showed proper management of domestic waste. No recyclable or schedule waste were sighted at the landfill.	Complied
<b>Criterion 4.5.4: Reduction of pollution and emission</b>			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. <b>- Major compliance -</b>	Based on the assessment done by the estate of all polluting activities as of the Environment Aspect and Impact assessment, identified sources were fertilizer, diesel and pesticide chemicals as the main GHG pollutants.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. <b>- Major compliance -</b>	Action plan was established to reduce identified significant pollutants including IPM implementation, empty chemical container & empty	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		fertilizer bags recycle and electricity supply rationing to housing quarters.	
<b>Criterion 4.5.5: Natural water resources</b>			
<b>4.5.5.1</b>	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ol style="list-style-type: none"> <li>Assessment of water usage and sources of supply.</li> <li>Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</li> <li>Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> <li>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</li> <li>Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</li> <li>Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</li> </ol> <p><b>- Major compliance -</b></p>	<p>Documented Water Management Plan Year 2020 inclusive of location; wastewaters produced; treatment/containment method; reuse/recycle/disposal method was sighted. The plan implemented as per following:</p> <ul style="list-style-type: none"> <li>- Identification of water sources</li> <li>- Efficient use of water</li> <li>- Renewability of water sources</li> <li>- Riparian buffer zone</li> <li>- Areas where buffer zone not established</li> <li>- Water quality monitoring</li> <li>- Effluent analysis</li> <li>- Demarcation of wetlands areas</li> <li>- Soil and water conservation measures</li> <li>- No construction of bunds/weirs/dam across main rivers</li> </ul> <p>Sampled implementation in place including the following monitoring were sighted:</p> <ul style="list-style-type: none"> <li>- Yearly estate river inlet and outlet analysis; Analysis cert. no.: ALKK184707_1; dated: 30 Oct 2019 by Asiatest Laboratory Service Sdn Bhd. The result was accordance to regulation.</li> </ul> <p>Boustead also maintained monitoring records of water usage which recorded every day and summarised on monthly basis including the</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		monitoring of rainfall water, which has been an alternative source of water as mitigation plan during draught season.	
<b>4.5.5.2</b>	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. <b>- Minor compliance -</b>	Visit to estate field confirmed no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	Complied
<b>4.5.5.3</b>	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). <b>- Minor compliance -</b>	The estate practice water harvesting at strategic locations. They also maintained monitoring records of water usage which recorded every day and summarised on monthly basis including the monitoring of rainfall water, which has been an alternative source of water as mitigation plan during draught season. Rainfall data for period from 2019 recorded at 1662 mm.	Complied
<b>Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value</b>			
<b>4.5.6.1</b>	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status ( <i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. <b>- Major compliance -</b>	The High Conservation Value assessment report was available dated November 2018 by Malaysian Environmental Consultant Sdn Bhd. This HCV report cover the identification of high biodiversity value habitat in Segaria estate. From the report, there are HCV 1,2,3 and 4 in segaria estate with total 143.9 Ha.  The HCV report for the assessment done concurrently by internal assessors shown a total of 143.9 ha of HCV areas identified consist of following: - Buffer zone/riparian – 71.9 Ha - Pocket Jungle – 33.3 ha - unplanted area/steep area – 38.7 ha	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.5.6.2</b> If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> <li>a) Ensuring that any legal requirements relating to the protection of the species are met.</li> <li>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</li> </ul> <p><b>- Major compliance -</b></p>	<p><u>Based</u> on the Polisi Alam Sekitar &amp; Biodeversiti ; dated 11/1/2011; signed by Senior GM of Bousted Estates Agency Sdn Bhd, the HCV Management Plan has been established as 4 objectives as following:</p> <ul style="list-style-type: none"> <li>i) Wild Life Conservation Target: to ensure no illegal hunting activities inside or outside the estate perimeter. Action plan: monitoring records of hunting incidences; collaboration with estate workers; local people and stakeholders such as neighboring estate to investigate the extent and reasons for hunting and their awareness; training of estate personnel especially Ops in anti-poaching measures; working closely with local authorities such as Perhilitan to highlight and curtail any illegal activities</li> <li>ii) Waterways Quality and Health Monitoring Target: to ensure recommended WQI index met a range of 81 to 100% Action plan: prohibit manuring and herbicide spraying at any point in buffer zone; prohibit application of herbicide/insecticide which classified as highly toxicity chemical; continue application of EFB as substitute fertilizers; monitoring the use of oil and chemical trap constructed to avoid chemical flowing into water source</li> <li>iii) Agricultural Land Contamination Target: to continuously establish and enhance in-estate buffers Action plan: establish 3m buffer zone adjacent to forest reserve; continue the in-estate program of establishment and enhancement of riverine buffer zones; continue planting of wild/natural species of hard word along identified water courses, wetland and biodiversity area</li> </ul>	<p>Complied</p>



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Criterion / Indicator		Assessment Findings	Compliance
		iv) Preserve and beautify natural landscape and old building (to maintain the heritage value and ensure nice looking nature of environment) Target: To utilize fund to renovate and decorate HCV site at estate (Hot spring and waterfall) Action plan: Provide additional facilities, monitoring on illegal activity, erect few safety signage at strategic spot. No chemical activities – provide training to workers and staff and ensure monitoring was done during spraying activity was occurred in the area.	
<b>4.5.6.3</b>	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required. <b>- Major compliance -</b>	The above programs were regularly communicated by estate management to all employees from time to time during routine workers assembly. The recent specific biodiversity and environmental policy briefing was conducted on August 2019 attended by all estate staff and employees.	Complied
<b>Criterion 4.5.7: Zero burning practices</b>			
<b>4.5.7.1</b>	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. <b>- Major compliance -</b>	Group Policy on restricting open burning dated in 2011 has been established. A circular [O.P.C No. 51c, July 1999] stating when there were incidences of Basal Stem Rot [BSR] on the old stands or high risk of Oryctes infestation, then partial burning and pulverisation are to be carried out. Before commence of burn, a permit should be obtained from DOE and burning strictly not allowed during July – November or whenever a “No Open Burning” circular from local authorities. It was confirmed during site visit to estate field that no use of fire for land preparation during replanting activities.	Complied

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4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. - <b>Major compliance</b> -	During site verification in field replanting area no trace of burn was sighted. No need any special approval to DOE.	Complied
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - <b>Major compliance</b> -	No trace of fire been using during replanting was verified during site verification.	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - <b>Minor compliance</b> -	The old pam was mowed down, chipped and shredded during replanting progress verified during site visit in replanting area.	Complied
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Site Management</b>			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - <b>Major compliance</b> -	Boustead Plantations Bhd has established the agriculture manual (Oil Palm Circular) covers felling and clearing, planting material, weeding, lalang, manuring, pest & disease, census & thinning out, drains, road & bridges, soil/water conservation, boundaries, fences & survey, supplying, pruning, collection (harvesting) and external transport.	Complied
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent	Boustead Plantations Bhd has established SOP related to planting on slope namely Soil Conservation/Water Management was sighted. All the strategy including soil conservation practices, type of vegetation,	Complied

Criterion / Indicator		Assessment Findings	Compliance										
	contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. <b>- Major compliance -</b>	ground cover establishment were found implemented accordingly in the field.											
4.6.1.3	A visual identification or reference system shall be established for each field. <b>- Major compliance -</b>	Field marking was sighted at Segaria Estate. Sighted field marking at PR18A. The management using palm trunk marking or signboard as visual identification or reference system.	Complied										
<b>Criterion 4.6.2: Economic and financial viability plan</b>													
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. <b>- Major compliance -</b>	Segaria Estate has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. This budget consist of area statement, replanting cost, FFB budget, capital expenditures, vehicle and heavy plant running schedule, upkeep and cultivation, harvesting, nursery, production cost etc. Budget 2020 and 5 years planning horizon (projections 2020- 2025) was verified during the audit.	Complied										
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. <b>- Major compliance -</b>	The revised replanting program was established which was updated. The replanting programme sighted as follow:- <table border="1" data-bbox="1048 1082 1451 1361"> <thead> <tr> <th>Year</th> <th>Replanting (Ha)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>196.90</td> </tr> <tr> <td>2021</td> <td>122.60</td> </tr> <tr> <td>2022</td> <td>243.40</td> </tr> <tr> <td>2023</td> <td>319.70</td> </tr> </tbody> </table>	Year	Replanting (Ha)	2020	196.90	2021	122.60	2022	243.40	2023	319.70	Complied
Year	Replanting (Ha)												
2020	196.90												
2021	122.60												
2022	243.40												
2023	319.70												

Criterion / Indicator		Assessment Findings	Compliance
<b>4.6.2.3</b>	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> <li>a) Attention to quality of planting materials and FFB</li> <li>b) Crop projection: site yield potential, age profile, FFB yield trends</li> <li>c) Cost of production : cost per tonne of FFB</li> <li>d) Price forecast</li> <li>e) e) Financial indicators : cost benefit, discounted cash flow, return on investment</li> </ul> <p><b>- Major compliance -</b></p>	<p>Segaria Estate has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. This budget consist of area statement, replanting cost, FFB budget such as price pertonne and forecast, capital expenditures, vehicle and heavy plant running schedule, upkeep and cultivation, harvesting, nursery, production cost etc. Budget 2020 and 5 years planning horizon (projections 2020- 2025) was verified during the audit.</p>	Complied
<b>4.6.2.4</b>	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p><b>- Major compliance -</b></p>	<p>Segaria Estate has regularly monitored, periodically reviewed and documented the budget versus actual through progress report. The management also has established costing book for every work activity at estate and conducted the monthly meeting with all staff and executive. This also will be verified during internal audit, Internal audit was done on 18 – 20 December 2019 by company internal auditor.</p>	Complied
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			
<b>4.6.3.1</b>	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p><b>- Major compliance -</b></p>	<p>Segaria Estate supplied its FFB to Segaria Mill only and not to external parties. However external contractors were acquired for few general and field works within estate area. Pricing mechanisms for services by contractor were determined based on scope of work/services and documented in contractual agreement.</p>	Complied
<b>4.6.3.2</b>	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p><b>- Major compliance -</b></p>	<p>Contract awarded to contractors by the estate were based on mutual understanding of both parties that deemed to be fair, legal and transparent with timely agreed payment. Sampled of contract agreement that signed by the contractors as below:</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Contract No.: PSJ 01/2019for Replanting Works which valid from 11/2/2019 to 31/8/2019; Contractor: Pemborong Sawit Jaya. Sample payment for invoice # P0311119008; Date: 30/9/2019</p> <p>Contract No.: PFE 01/2019 for EFB transportation which valid from 1/1/2019 to 31/12/2019; Contractor: Pemborong Faiz Enterprise. Sample payment for invoice # P0311119009; Date: 30/9/2019</p>	
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	Sampled contract agreements (as per indicator 4.6.3.2 above) were included with a special clause on MSPO compliance required for the contractor upon award.	Complied
<b>4.6.4.2</b>	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	The contractors have signed on the contract agreement prior to provide services. Seen the contract agreement and details as refer to Criterion 4.6.3.2.	Complied
<b>4.6.4.3</b>	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. <b>- Minor compliance -</b>	Boustead Plantations Berhad has agreed for BSI auditors to verify the assessment through a physical inspection if required.	Complied
<b>4.6.4.4</b>	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. <b>- Major compliance -</b>	The contractor will issued the working chit for every work done on daily basis as stated in the contract agreement. During the month end, the contractor will issued the tax invoice to the company for all the work done to proceed for payment.	Complied
<b>4.7 Principle 7: Development of new planting</b>			

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Criterion / Indicator	Assessment Findings	Compliance
Not applicable since there is no new planting at Segaria Estate.		

**B) MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill – Segaria Mill**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	Policy for the implementation of MSPO shall be established. - <b>Major compliance -</b>	The MSPO Policy was established where the policy was signed by Sr General Manager of Boustead Plantations Berhad on 1/11/2014.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - <b>Major compliance -</b>	The policy was emphasize on the engagement and commitment to produce sustainable palm oil with the objective of improving the milling and estate operation.	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - <b>Major compliance -</b>	Internal Audit was conducted once a year by Sustainability section, the internal audit was conducted on 18-20/11/2019 to cover the entire criterion stated in the standard. Internal audit was led by Mr Kamaroladzha and assist by 2 auditors as team members. During the internal audit, there was 2 NCR were issued. All the findings were in progress of closure.	Complied
<b>4.1.2.2</b>	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. - <b>Major compliance -</b>	Internal audit procedure dated July 2016 revised date Oct 2018 was established by the management to include audit frequency, audit schedule, audit team, performing audit, audit responsibility and etc. Internal audit shall be carried out once a year.	Complied
<b>4.1.2.3</b>	Reports shall be made available to the management for their review.	All records related to Internal Audit was maintained and available at mill visited for review.	Complied

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- Major compliance -			
<b>Criterion 4.1.3 – Management Review</b>			
<b>4.1.3.1</b>	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	The management review was conducted accordingly. The Management Review was conducted on 20/11/2019 which was chaired by Sustainability Chairman. All the committee members were involved during this Management Review. All the agenda were found adequate.	Complied
<b>Criterion 4.1.4 – Continual Improvement</b>			
<b>4.1.4.1</b>	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	Currently, there was no new techniques or technology that implemented at Segaria Mill. However, the mill continue with its latest Continual Improvement Plan since 2019 for the implementation of following Unit sighted as follow: 1. Installation of dust particular reduction system for boiler 2. Installation of one unit of sprinkler pump 3. Desludging anaerobic pond no 1 4. Recycle, Reused and Reduce programme 5. To construct new 1 block of labour quarter 6. To construct concrete main road in front of staff quarter	Complied
<b>4.1.4.2</b>	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	The company already establish the system to improve practices in line with new information and techniques such as using the social board, stakeholder meeting and management meeting to ensure all information disseminate throughout the workforce.	Complied



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Criterion / Indicator		Assessment Findings	Compliance
<b>4.1.4.3</b>	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. <b>- Major compliance -</b>	The training was given followed as per training evaluation and training needs dated Jan 2020. No new technique for Segaria oil Mill however management still in progress for the previous action plan such as To construct new 1 block of labour quarter, To construct concrete main road in front of staff quarter and maintain Recycle, Reused and Reduce programme.	Complied
<b>4.2 Principle 2: Transparency</b>			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
<b>4.2.1.1</b>	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. <b>- Major compliance -</b>	Segaria POM has maintained records of request and response, land titles, OSH plans and etc relating to environmental and social issues, plans for pollution prevention, complaints and grievances records that make available upon request.	Complied
<b>4.2.1.2</b>	The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. <b>- Major compliance -</b>	Segaria POM holds copies of each of the management documents that are required to be publicly available. Copies of the document such as documents related to environmental and social issues, plans for pollution prevention, records of complaints and grievances were available upon request. All the policies such as Pesticide Use Policy, Human Rights Policy, Foreign Workers Policy were publicly available in the company’s website: www.bousteadplantations.com.my. Others sustainability practices were also available in the website.	Complied
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders.	Boustead Emastulin Sdn Bhd has developed a Communication Procedure. The procedure is to handle communication for internal	Complied

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	- <b>Major compliance</b> -	and external stakeholders. The methods of communication such as formally write in, through phone call, discussion or meeting and etc. External Communication Form (PKSJ-001) and Communication Record (PKSJ-002) was implemented.	
<b>4.2.2.2</b>	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - <b>Minor compliance</b> -	Staff of Segaria POM has been appointed as Social Officer to handle any social issues and appointment letter dated 1/6/2017 were sighted.	Complied
<b>4.2.2.3</b>	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - <b>Major compliance</b> -	Stakeholder list FY 2020 was available in Segaria POM. The list has included contractors and suppliers, government authorities, school's representatives and etc.  Latest external stakeholder meeting conducted on 29/10/2019 involved relevant stakeholders such as government authorities, school's representatives, contractors, internal workers and etc. were briefed on all the RSPO principles and criteria.  Mill internal stakeholder meeting was conducted on 11/11/2019 attended by all staff and employees.	Complied
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - <b>Major compliance</b> -	Segaria Palm Oil Mill implemented the supply chain program based on Bousted Plantations Supply Chain (SCC) Procedures; Issue 1; Issue date: July 2016; Rev. # 2; Rev. date: October 2017. The procedure was prepared by SJPOM and approved by RSPO Chairman which covering the implementation of all supply chain requirements.	Complied
<b>4.2.3.2</b>	The management shall conduct regular inspections on compliance with the established traceability system.	Regular inspections on compliance with the established traceability system were conducted through periodical internal audit as specified in Criterion 4.1.2 of this checklist. Furthermore, a	Complied

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	- <b>Major compliance</b> -	Standard Operating Procedure; Effective date: 2/5/2012; Chapter 1: Administrative Procedure; Section 1.1 Internal Office Control sighted available that described the routine responsibilities of estate management and staff to conduct related inspections on compliance of all operations including traceability system. Verification on site confirmed the inspections were regularly implemented accordingly.	
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - <b>Minor compliance</b> -	The procedure also specified the RSPO Chairman shall have the overall responsibility for the implementation of the procedure with assignment of relevant personnel from various departments to assist in the implementation. Sighted the Letter of Appointment; Ref. # BEA/SUST-RSPO/SEGARIABU; Dated: 1/11/2017 for the appointment of Mill Manager as the Sustainability Chairman for Segaria Palm Oil Mill. Appointment made by the company group RSPO Chairman i.e. the Planting Advisor.	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - <b>Major compliance</b> -	Records of CPO & PK sales & delivery including Weighbridge Tickets together with sales Delivery Note (DO Chit) and Daily Record (Daily CPO/PK Despatch Summary Log Book) were maintained based on Standard Operating Procedure; Effective date: 2/5/2012; Chapter 7: Sales of Produce Ex-Estate/Mill Procedures; Section 7.2 CPO Sales and Despatches; Section 7.3 PK Sales and Despatches & Chapter 13: Retention of Documents which specified a minimum retention period of 7 years prior of disposal. Sighted samples record available as following:  Buyer: Lahad Datu Edible Oils Sdn. Bhd.; Product: CPO (IP); Despatch ticket # 108688; Date: 31/12/2019; DO # CPO 306201902936; Tanker # SU8138/TS754; Nett weight: 39.89mt	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Buyer: Lahad Datu Edible Oils Sdn. Bhd.; Product: PK (IP); Despatch ticket # 108442; Date: 23/12/2019; DO # PK 306201902932; Lorry # SB8228D; Nett weight: 34.64mt	
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
<b>4.3.1.1</b>	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. <b>- Major compliance -</b>	The list of permit and license required for the operations of the mill were sighted. The sample of permit and license: Segaria Mill 1. MPOB license 508110904000 valid until 31 May 2020 2. Metrology license for weighbridge C184018 dated 18 Jan 2019 3. Suruhanjaya Tenaga Siries 34865: Lesen Pemasangan Persendirian- 2019/00375, expiry 23/4/2020 4. Water tube boiler license SB PMD 2100 valid until 28 July 2020 5. Back pressure receiver SB PMT 9322 valid until 28 July 2020 6. Water softener PMT 56918 valid until 28 July 2020 7. Diesel permit form KPDNKK.SPN600-1/7/2016/32(P)	Complied
<b>4.3.1.2</b>	The management shall list all relevant laws related to their operations in a legal requirements register. <b>- Major compliance -</b>	LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The sample of Act and Legal: 1. Minimum Wages Order 2018 2. Sabah Labour Ordinance 1950 3. OSHA 1994 4. FMA 1967	Complied

Criterion / Indicator		Assessment Findings	Compliance
		5. Uniform Building By Law 1984 6. Pesticide Act 1974 7. Electrical Supply (Amendment) Act 2015 8. Fire Services Act 9. Environmental Quality Act 10. Local Government Act 11. Code of Practise For Safe Working In a Confined Space, 2010	
<b>4.3.1.3</b>	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. <b>- Major compliance -</b>	LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The sample of Act and Legal: 1. Minimum Wages Order 2018 2. Sabah Labour Ordinance 1950 3. OSHA 1994 4. FMA 1967 5. Uniform Building By Law 1984 6. Pesticide Act 1974 7. Electrical Supply (Amendment) Act 2015 8. Fire Services Act 9. Environmental Quality Act 10. Local Government Act 11. Code of Practise For Safe Working In a Confined Space, 2010 Last updated was done on 3/1/2020.	Complied

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<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. <b>- Minor compliance -</b>	Tracking system available to identify changes in the relevant regulations through head office, sustainability team, website information and the information are communicated from the Head Office (Sustainability Section). Boustead Plantations Berhad have centralised system for tracking any changes in the law and subscribe into Lawnet. The latest communication was done on 28/11/2019 regarding Noise regulation 2019. The latest updated was done on 3/1/2020.	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. <b>- Major compliance -</b>	Segaria POM activities was under Segaria estate area. The Segaria Estate hold 3 land title (under Boustead Emastulin Sdn Bhd: 1. Provisional Lease : 26290060 dated 24/10/74 (7,317 Acre) Ref No:L.S.1210/1/3/II,25/8/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd 2. Provisional Lease : 126290122 dated 1/1/65 (4,012 acres) Ref. No: L.S.1210.1.3/II, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd 3. Provisional Lease : 125311284 dated 17/4/75 (398.9 Acres) Ref. No: L.S.1210.1.319, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd	Complied
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.	Segaria Estate hold 3 land title (under Boustead Emastulin Sdn Bhd: 1. Provisional Lease : 26290060 dated 24/10/74 (7,317 Acre)	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	<p>Ref No:L.S.1210/1/3/II,25/8/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd</p> <p>2. Provisional Lease : 126290122 dated 1/1/65 (4,012 acres)</p> <p>Ref. No: L.S.1210.1.3/II, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd</p> <p>3. Provisional Lease : 125311284 dated 17/4/75 (398.9 Acres)</p> <p>Ref. No: L.S.1210.1.319, dated 20/5/2005 change of name from Ladang Segaria Sdn Bhd to Boustead Emastulin Sdn Bhd</p>	
4.3.2.3	<p>Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- <b>Major compliance</b> -</p>	The boundary between Segaria estate and Hatawa was clearly demarcated and visibly maintained using red circle and boundary marker, and there is no planting beyond these legal or authorised boundaries	Complied
4.3.2.4	<p>Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC).</p> <p>- <b>Minor compliance</b> -</p>	There is no land dispute in the Segaria Certification Unit at the time of audit. The lands are country leased and provisional lease to Boustead Emastulin Sdn Bhd via verified with the land titles. The surrounding are owned by smallholders and other plantation's companies. There was no encroachment of land by the Segaria Certification Unit. Notwithstanding, in case necessary, compensation process will be according Fair Compensation Procedure (Procedure 6.4.1); Ref. # 1; issued date: 4/2/2015; version 01. The procedure has clearly stated the process of negotiation and compensation if any land disputes with Legal Department. If the negotiation process failed, legal proceedings will be the next action.	Complied

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - <b>Major compliance</b> -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and painted the palms to differentiate the land boundaries. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Complied
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - <b>Minor compliance</b> -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and painted the palms to differentiate the land boundaries.	Complied
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - <b>Major compliance</b> -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit. Trenches, wooden pegs and boundary stones were maintained to differentiate the land ownership.	Complied
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. - <b>Minor compliance</b> -	Social impacts plans were based on the documented Social Impact Assessment Segaria Estate and Mill Semporna, Sabah Malaysia, November 2017; Size of Assessment: 3,071.6 ha (Main Division); 1,393.5 ha (Sipit Division); Date of Assessment: 27/9 – 1/10/2017; Date of Report: 30/11/2017 by Malaysia Environmental Consultant (MEC). The plan established as Management Plan on Social Impact	Complied



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		<p>Assessment for the Year 2018; Reviewed &amp; Updated on Apr. 2018 includes mitigation plan for following:</p> <ul style="list-style-type: none"> <li>- Many workers and their families hold expired passports and work permits (or dependent permits)</li> <li>- Many workers also do not possess work permits</li> <li>- Some workers including undocumented workers do not have the legal documents – no passports nor work permits</li> <li>- No consent letter from workers permitting the company to hold on to their passports</li> <li>- Company also does not have a letter from the agency to state that the passports or work permits are held by the agency or work permits are held by the agency or Malaysian Immigration for renewal purposes</li> </ul> <p>No established system or master list to track expiry dates and to track the location of passports</p>	
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p><b>- Major compliance -</b></p>	<p>The company has developed Whistleblowing Policy dated 11/1/2011 signed by Senior General Manager. The company has prepared a formal mechanism to handle all the complaints reported. A Complaint/ Suggestion Flowchart was available where it explained the procedure to lodge complaints. Besides, the Segaria POM's Manager has issued a memo on the method to lodge complaint to all the workers.</p>	Complied
<b>4.4.2.2</b>	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p>	<p>Segaria POM has implemented Request and Response form and Complaint/ Suggestion form to record any requests, complaints and grievances by the stakeholders. The estate management has taken</p>	Complied

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	- <b>Major compliance</b> -	action or planned action to rectify the complaints raised by the stakeholders. Record shown latest complaints dated 28/12/2019 as per Borang Cadangan/Aduan Segaria POM was resolved on 4/1/2020.	
<b>4.4.2.3</b>	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - <b>Minor compliance</b> -	The complaint form was available at the office. Besides, suggestion box was available in the linesite and office area where the stakeholders are able to lodge complaint or suggestion at any time.	Complied
<b>4.4.2.4</b>	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - <b>Minor compliance</b> -	Interview conducted with internal and external stakeholder during stakeholder consultation found that they were aware of the complaint procedure and were briefed by the management during stakeholder meeting.	Complied
<b>4.4.2.5</b>	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - <b>Major compliance</b> -	The management has started to implement the complaint form since November 2017. The records of complaint were available from November 2017 up to date.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
<b>4.4.3.1</b>	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - <b>Minor compliance</b> -	Contributions to local development were demonstrated as per consultation with local communities. Based on stakeholder consultation, it was noted that local communities are always been prioritized in case of vacancy within mill and estate. Almost 90% of mill employee are local Semporna and/or nearby districts residents. Interviewed estate contractors revealed that they are local Semporna contractor and some from Kunak, Sabah. Sighted the sample contributions made as following:	Complied

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		<ul style="list-style-type: none"> <li>- Contribution for "Back to School" haircut program and banner on 01/2019</li> <li>- Donation to PERKEP IPD Semporna "Ladies Night" program on 01/2019</li> <li>- Contribution to Tennis Tournament MSS Sabah 2019 on 03/2019</li> <li>- Contribution of transport for NAPSIR-CLC program on 10/2019</li> <li>- Donation for OCPD Cup Football Tournament on 10/2019</li> </ul>	
<b>Criterion 4.4.4: Employees safety and health</b>			
<b>4.4.4.1</b>	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>Segaria POM have an established Safety and Health Policy, dated 1st June 2012 signed by the Timbalan Pengerusi / Pengarah Urusan Kumpulan, stating their commitment towards ensuring Safety &amp; Health within the organization.</p> <p>Training and briefings are done on a weekly basis to create awareness amongst workers and staff. Latest briefing on the OSH Policy was recorded on 02.01.2019.</p> <p>Interviews conducted with the staffs and workers revealed that all operational SOPs were regularly implemented among all employees and monitored by the management through daily muster briefing and training.</p>	Complied
<b>4.4.4.2</b>	<p>The occupational safety and health plan should cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p>	<p>The OSH plan generated by the Mill for the year 2020 covers the important aspects of OSH such as Safety Trainings, OSH Meetings, Fire Extinguisher Inspections, HIRARC Reviews, Workplace</p>	Complied

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<ul style="list-style-type: none"> <li>b) The risk of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:               <ul style="list-style-type: none"> <li>i. All employees involved are adequately trained on safe working practices;</li> <li>ii. All precautions attached to products should be properly observed and applied;</li> </ul> </li> <li>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</li> <li>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</li> <li>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</li> <li>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept ant the concerns of employees and any remedial actions taken shall be recorded.</li> </ul>	<p>Inspections, ERP Trainings, Fire Drills and Medical Surveillance &amp; Audiometric Test.</p> <p>The Segaria POM has a Health, Safety &amp; Environment (HSE) Manual addressing the Safe Work Procedure specialized for the Group Engineering Department dated 14 the March 2011. The SWP addresses the sequence of plan of actions, in consistent with the generally accepted safe work practices, established for the purpose of carrying out work safely. Samples of SWP were sighted such as Confined Space Procedures, HIRARC Procedures, Emergency Response Plan Procedures, Handling Hazardous Materials Procedures, Training Procedures, Ergonomic and Office Safety Procedures, etc.</p> <ul style="list-style-type: none"> <li>a) Segaria POM established Safety and Health Policy, dated 1<sup>st</sup> June 2012 stating their commitment towards ensuring Safety &amp; Health within the organization. Training and briefings are done on a weekly basis to create awareness amongst workers and staff. Latest briefing on the OSH Policy was recorded on 02.01.2019. Interviews conducted during the visit indicated awareness on the OSH policy by the staffs and workers.</li> <li>b) The risk of all operations are assessed through the implementation of HIRARC. All work units that have been identified to have potential risks are documented and the sampled areas are as follows. Mitigation plans and control procedures such as PPE, Administrative Control and Trainings were documented.</li> </ul>	

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	h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite. j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals. <b>- Major compliance -</b>	Area	Date Reviewed	Job Step Risk	
		RAMP – Unloading FFB	13.05.2019	Movement of FFB Lorry to and from the ramp	
		PRESSING STATION – Cleaning of Digester and Press Body	13.05.2019	Standing too close to the press	
		Nut Cracking Station – Maintenance and Operation of Nut elevator	13.05.2019	Moving of Machinery while Decoking	
		Boiler Station – Lighting Fire in the furnace	13.05.2019	Overfeeding of Fuel	
		c) Segaria POM have implemented a training plan for the year 2020 which is divided into 3 training programs namely Maintenance Training Programme, OSH & RSPO Training Programme and Operations Training. This training programme is used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.			
d) All workers were provided with appropriate PPE as identified in the HIRARC where the cost are bared by the management.					

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		<p>Interviews conducted during the site visit at the Mill showed understanding and awareness from the workers that:</p> <ul style="list-style-type: none"> <li>• The management bears the cost of all PPEs and the workers are entitled to effective and appropriate PPE.</li> <li>• The importance of using required PPE at all times during work.</li> <li>• Proper storage and disposal methods of PPE</li> </ul> <p>e) SOPs for Best Practices of Chemical Handling were available in the POM. Chemicals were found stored in the Mill's Chemical Store in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974 (Act 149) and their Regulations.</p> <p>f) The POM has appointed Mr.Muguthan A/L Mariappan as the Chairman of the Safety Committee 2019/2020 together with Employer and Employee representative based on their work units as members of the safety committee.</p> <p>g) The Occupational Safety &amp; Health Meetings were done on a regular basis (3 months Interval) to address the safety and health issues in the Mill.</p> <table border="1" data-bbox="1086 1232 1861 1268"> <thead> <tr> <th>Meeting</th> <th>Date</th> <th>Issues Raised</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Meeting	Date	Issues Raised				
Meeting	Date	Issues Raised							

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		Mesyuarat JKPP 1/2019	27 <sup>th</sup> March 2019	1. Lawatan JKPP pada 09.3.2018 dan keputusan rumusan pemeriksaan.	
		Mesyuarat JKPP 2/2019	25 <sup>th</sup> June 2019	1. Pemadam Api ABC di kawasan perumahan perlu ditambah	
		Mesyuarat JKPP 3/2019	24 <sup>th</sup> September 2019	1. Lokasi Pemadam Api di Store Utama di letakkan di kawasan kurang bersesuaian. 2. Keadaan lantai di kawasan kilang perlu diperbaiki keadaan strukturnya untuk mengelak sebarang risiko bahaya. 3. SOP perlu diwujudkan bagi kerja-kerja di ruang terkurung.	
		Mesyuarat 4/2019	17 <sup>th</sup> December 2019	1. Majikan perlu memastikan pengenalan pastian masalah Ergonomik dijalankan secara bertulis.	
		h) Accident & Emergency Response Plans are available for Emergency Contact Number, Emergency Evacuation, First Aid Locations, Fire Extinguisher Locations, Emergency Response Plans (Fire, Chemical Spillage, Chemical Contamination, Flood and Accident) and displayed at strategic locations around the mill, estate office and stores. The competent personals are			

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		<p>appointed and trained to be part of the Emergency Response Team. Appointment letters were sighted in the POM.</p> <p>i) The assigned first aiders were present at the site visited. They showed understanding on the contents and usage of the items in the First Aid Kits. First aid kits were available at the sampled locations mentioned in the First Aid Kit Location Map. Sampled First aid Kit boxes showed regular maintenance and records of the usage.</p> <p>j) Records of all accidents were kept in the POM and reviewed at quarterly intervals during the JKKP Meeting. Lost Time Incident are monitored by the POM and records were sighted in the POM. No accident cases were reported for the year 2019.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>Boustead Plantations Berhad has developed Human Rights Policy dated 11/1/2016 signed by Senior General Manager. The company is committed to ensure every individual are treated with fairness, dignity and respect. The company will respect the rights of every individual. They also recognize their responsibilities to respect human rights and avoid complicity in human rights abuses.</p> <p>Mill internal stakeholder meeting was conducted on 11/11/2019 attended by all staff and employees. Seen the meeting attendance list where all the workers from different stations were participated in the meeting, photo evident and training materials. Besides, the</p>	Complied



Criterion / Indicator		Assessment Findings	Compliance
		policy was publicly displayed at the notice board outside the office and linesite area.	
<b>4.4.5.2</b>	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. <b>- Major compliance -</b>	Boustead Plantations Berhad has established Equal Opportunities Policy dated 11/1/2011 signed by Senior General Manager. The company will ensure all the relevant parties will be treated equally and no discrimination based on race, caste, nationalities, religion, gender, age and etc. Interviewed with the workers from different nationalities, gender and age confirmed that no discrimination was occurred in the mill.	Complied
<b>4.4.5.3</b>	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. <b>- Major compliance -</b>	There was employment contracts for staff and workers. Pay and conditions are documented and are above the Minimum Wage Order 2016. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. The daily rate for the workers was stated in the contract was in-line with Minimum Wage Order 2018. Sampled of the payslips confirmed that the workers were paid in accordance with Minimum Wage Order 2018. payslips sighted as below for mill employee sample: a) Employee ID # 0318B; Date joined: 14/2/1998; Workstation: Sampling boy; Nationality: Malaysia b) Employee ID # 0112H; Date joined: 1/11/2009; Workstation: Sprinkler Operator; Nationality: Malaysia c) Employee ID # 0337A; Date joined: 4/10/2015; Workstation: Ramp Operator; Nationality: Indonesia d) Employee ID # 0472I; Date joined: 26/9/2018; Workstation: Fitter Apprentice; Nationality: Malaysia	Complied

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		<p>e) Employee ID # 0224F; Date joined: 4/11/2008; Workstation: USB Collector; Nationality: Malaysia</p> <p>f) Employee ID # 0209E; Date joined: 26/8/2005; Workstation: Line Sweeper; Nationality: Malaysia</p>	
<b>4.4.5.4</b>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>There was no permanent contractor available in the mill. Most of the maintenance and repair work was carried out by their own technicians. However, a temporary contractor workers were engaged for housing construction works i.e. Palm Coast Engineering Sdn. Bhd., sample records available for workers as following:</p> <ul style="list-style-type: none"> <li>i. Basid Bin Ajahad; Borang Akuan Act 13 Schedule (Section 2); Date: 14/11/2017; Pengesahan Sijil Banci; Pasukan Petugas Khas Persekutuan (S/L), Pejabat Wilayah Tawau, Majlis Keselamatan Negara; Kategori Status Pelarian dan Memiliki Sijil Banci (Lulus) # S06684; Ref. letter pengesahan sijil banci: MKN/300/07/01/004/3 Jld. 3; Dated 10/12/2012</li> <li>ii. Gemar Jarantilla Sumatra; ID # P7351196A; Nationality: Filipina</li> <li>iii. Albertus Magnus Lowa; ID # AU176058; Nationality: Indonesia</li> <li>iv. Carcueva Maximo Roriguez; ID # EC2164829; Nationality: Filipina</li> <li>v. Carcueva Frexim Ave Duhaylungsod; ID # EC4357545; Nationality: Filipina</li> </ul>	Complied
<b>4.4.5.5</b>	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p>	<p>All the recruited workers will be registered in the Labour Registration Record where personal details such as name, nationality, next of kin, education standard, date of employed, job description, wage rate and date of birth were stated in the registration card.</p>	Complied

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	- Major compliance -		
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	Employment contracts were acknowledged and kept a copy by the workers verified through interviewed with the workers. The terms and conditions were clearly stated in the contract such as salary, annual leaves and public holiday entitlement, rate of work on rest day, overtime and etc. employment contracts sighted available for samples of own and contractor’s employees in indicator 4.4.5.3 and 4.4.5.4 above.	Complied
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers. - Major compliance -	The mill has implemented the Thumb Print system where the attendance can be verified through the Electronic Time Card of individual workers. The time enter and exit of work also clearly stated in the time card.	Complied
4.4.5.8	The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. - Major compliance -	Records reviewed on the Electronic Time Card of sampled workers found that the enter time and exit time was clearly stated in the time card. Besides, the working hours and break time has indicated in the employment contract that acknowledged by the workers. Interviewed with the workers found that they are agreed with the overtime offered by the management and paid according to legal requirements.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Documented payslip was distributed to individual workers on the day of payment. Wages and overtime were paid according to the “Electronic Time Card”. Total hours of overtime and daily attendance has recorded in the time card. Payslips sighted available for samples of own and contractor’s employees in indicator 4.4.5.3 and 4.4.5.4 above.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good	The management provided free medical facilities to all the workers and dependents. Community Learning Centre was available for the	Complied

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	work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. <b>- Minor compliance -</b>	children of foreign workers. There was a recognition event for those employees with best performance, best attendance and etc. Free treated water and electricity supply to all the workers.	
<b>4.4.5.11</b>	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. <b>- Major compliance -</b>	During site visit to the linesite found that playground, football field, church, mosque and etc were available and free access to all the workers and dependents. Sundry shop and crèche was available at Segaria Estate.  The workers quarters have adequate clean water supply by estate management, the management also done the analysis to ensure water was safe for domestic use. From the analysis done DYNKEY Laboratories Sdn Bhd dated 21 September 2019 the water was safe for drinking as per analysis report ref. # 20190712/15.	Complied
<b>4.4.5.12</b>	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. <b>- Major compliance -</b>	A Sexual Harassment Policy signed by Senior General Manager, En. Shoib Abdullah dated 11/1/2011 was in place. Latest communication was conducted in the meeting as per sample records of Minit mesyuarat persatuan wanita kilang kelapa sawit segaria (Pewanis) bil: 01/2019; Date: 27/7/2019. Policy also displayed in strategic location in mill and estate offices.	Complied
<b>4.4.5.13</b>	The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.	Boustead Plantations Berhad has developed Freedom of Association Policy dated 11/11/2011 signed by Senior General Manager, En. Shoib Abdullah and was publicly available on the notice board. The company is committed and allowed their stakeholders such as employees, clients, business partner and etc to form or join any association. The company has established a Workers' Community for the employees to speak freely and the meeting will be conducted once every 3 months.	Complied

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	- Major compliance -														
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.  - Major compliance -	Boustead Plantations Berhad has developed the Employment of Child and Age Limit Policy dated 11/1/2011. The company adopted the Children and Young Persons (Employment) Act 1966 and ILO Convention 138 (1973) Article 1-3. No workers less than 16 years old will be recruited and less than 18 years old for hazardous work.	Complied												
<b>Criterion 4.4.6: Training and competency</b>															
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.  - Major compliance -	Records of training were maintained and sighted as below :- <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Training</th> <th>Date</th> <th>Attendees</th> </tr> </thead> <tbody> <tr> <td>Latihan Cara Kerja Di Stesen Water Treatment</td> <td>16.07.2019</td> <td>17 workers</td> </tr> <tr> <td>Latihan Cara Kerja Di Stesen Loading Ramp</td> <td>09.07.2019</td> <td>14 Workers</td> </tr> <tr> <td>Latihan Cara Kerja Di Stesen Sterilizer</td> <td>20.06.2019</td> <td>16 Workers</td> </tr> </tbody> </table>	Training	Date	Attendees	Latihan Cara Kerja Di Stesen Water Treatment	16.07.2019	17 workers	Latihan Cara Kerja Di Stesen Loading Ramp	09.07.2019	14 Workers	Latihan Cara Kerja Di Stesen Sterilizer	20.06.2019	16 Workers	Complied
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Latihan Cara Kerja Di Stesen Sterilizer	20.06.2019	16 Workers													
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.  - Major compliance -	Training needs of individual employees have been identified prior to the planning and implementation of the training programs in order to provide the specific skill and competency required to all employees based on their job description.	Complied												
4.4.6.3	A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.  - Minor compliance -	Training programme planned for year 2020 was available during the visit. The OSH program generated by the Mill for the year 2020 covers the important aspects of OSH such as Safety Trainings, OSH Meetings, Fire Extinguisher Inspections, HIRARC Reviews,	Complied												

Criterion / Indicator		Assessment Findings	Compliance
		Workplace Inspections, ERP Trainings, Fire Drills and Medical Surveillance & Audiometric Test.	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented. <b>- Major compliance -</b>	Boustead Plantations Berhad have displayed their commitment towards protecting the environment via the Polisi Alam Sekitar & Biodeversiti (Environmental & Biodiversity Policy); dated 11 <sup>th</sup> January 2011; signed by Pengurus Besar Kanan of Boustead Estates Agency Sdn Bhd.  The policy indicates the commitment of the organization to comply with all regulations and laws pertaining to environmental and diversity, avoid all negative impacts towards the environment and biodiversity that are generated from mill practices.	Complied
<b>4.5.1.2</b>	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations <b>- Major compliance -</b>	On top of the above biodiversity management plan and objectives, the environmental management plan covered in the established action plan of significant environmental aspects identified and impacts evaluated as per documents sighted as following: - Established based on the procedure for Environmental Aspect/Impact Evaluation; Issue 1; Dated Dec 2011 and documented as following: - Environmental Aspect and Impact Identification 2019/2020; Serial # EAI/2018/001-1 to EAI/2019/013-4 dated 3/1/2019	Major NC

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		<p>- Environmental Impact Evaluation Form Serial # EIE/2018/001-1 to EIE/2019/014-4 dated 3/1/2019</p> <p>Sighted the aspect identified and impact evaluated covered all mill operational stations activities including operation of weighbridge, FFB Ramp, vertical sterilizer, maintenance of crude oil pumps, sludge pumps, waste pumps, effluent treatment plant and etc.</p> <p>However found the aspect and impact for new housing construction for mill was not been include in the aspect impact analysis dated Jan 2020.</p>	
<b>4.5.1.3</b>	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>As specified in indicator 4.5.1.1 &amp; 4.5.1.2 above, the visit confirmed that the developed environmental improvement plan to mitigate the negative impacts and to promote the positive ones were effectively implemented and monitored. Sighted the Schedule Waste Inventory Records as one of the environmental improvement plans.</p>	Complied
<b>4.5.1.4</b>	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p><b>- Minor compliance -</b></p>	<p>Few environmental plan have been established including waste management action plan, continuous improvement environmental plan and etc. The following was sighted:</p> <ul style="list-style-type: none"> <li>- Scheduled wastes management procedure; Issue # 1; Dated June 2017</li> <li>Continuous Improvement Environmental Plan 2019-2020 such as 3R Waste Management Practices Campaign.</li> </ul>	Complied
<b>4.5.1.5</b>	<p>An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives.</p> <p><b>- Major compliance -</b></p>	<p>The above programs were regularly communicated by estate management to all employees on regular basis during the morning briefings.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance								
4.5.1.6	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p> <p><b>- Major compliance -</b></p>	<p>Environmental Quality within the Mill were regularly discussed amongst the management and workers during the Health &amp; Safety Meeting as one of the Agendas. The meetings were done on a regular basis (3 months Interval) to address the environmental issues in the Mill.</p> <table border="1"> <thead> <tr> <th>Meeting</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Environment Meeting 01/2019</td> <td>27<sup>th</sup> March 2019</td> </tr> <tr> <td>Environment Meeting 02/2019</td> <td>25<sup>th</sup> June 2019</td> </tr> <tr> <td>Environment Meeting 03/2019</td> <td>24<sup>th</sup> September 2019</td> </tr> </tbody> </table>	Meeting	Date	Environment Meeting 01/2019	27 <sup>th</sup> March 2019	Environment Meeting 02/2019	25 <sup>th</sup> June 2019	Environment Meeting 03/2019	24 <sup>th</sup> September 2019	Complied
Meeting	Date										
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<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>											
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p> <p><b>- Major compliance -</b></p>	<p>A plan for improving efficiency of the use of fossil fuels was established to include Mill quarters, office, meeting room, weighbridge, laboratory and mill operation, fuel consumption at estate Diesel use per mt FFB was monitored every month. The Plan for Improving Fossil Fuel and Palm GHG includes the following:</p> <ul style="list-style-type: none"> <li>- To minimize and limit electrical usage</li> <li>- Replace bulb with an energy saving bulb last 10 times longer with 75% less energy</li> <li>- Switch off or unplug any charges or appliances not in use</li> <li>- To put in hibernate of sleep mode for all pc not in use</li> </ul> <p>The Consumption of Diesel for the year 2019 and 2018 are as follows.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Diesel</th> <th>FFB</th> <th>Diesel/FFB</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Year	Diesel	FFB	Diesel/FFB					Complied
Year	Diesel	FFB	Diesel/FFB								



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Criterion / Indicator		Assessment Findings				Compliance
		2018	332,382.00	86,675	3.83	
		2019	346,108.40	80,063.18	4.32	
		The Consumption of Electricity for the year 2019 and 2018 are as follows.				
		Year	KwH	FFB	KwH/FFB	
		2018	3,907,088	86,675	45.08	
		2019	3,440,130	80063.18	42.97	
<b>4.5.2.2</b>	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. <b>- Major compliance -</b>	The mill has estimation on total energy required. This estimation was compared to the actual usage by monthly and reported to the head office for monitoring.				Complied
<b>4.5.2.3</b>	The use of renewable energy should be applied where possible. <b>- Minor compliance -</b>	There uses mesocarp fibres as its main source of energy as the steam boiler fuel. Steam turbine was fully in operation when the process runs.				Complied
<b>Criterion 4.5.3: Waste management and disposal</b>						
<b>4.5.3.1</b>	All waste products and sources of pollution shall be identified and documented. <b>- Major compliance -</b>	All waste products and sources of pollution had been identified in Waste Management Action Plan Year 2017 for the mill. Based on the Waste Management Action Plan Year 2017 the following wastes and its sources were identified:				Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Domestic waste: Rubbish from linesite, office and etc.</li> <li>- Industrial waste: POME, EFB, scrap metal, compost, reused empty container, used tires &amp; tubes</li> <li>- Scheduled waste: SW109, SW 305, SW306, SW 410 &amp; SW 102</li> </ul>	
<b>4.5.3.2</b>	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p><b>- Major compliance -</b></p>	<p>As above, all waste products and sources of pollution had been identified in Waste Management Action Plan Year 2017 for the mill. Site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented.</p> <p>Segregation of wastes i.e. general wastes and scheduled wastes were verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes at the mill.</p>	Complied
<b>4.5.3.3</b>	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p><b>- Major compliance -</b></p>	<p>It was sighted the SOP for Schedule Waste Management dated June 2017 available in the Mill. During the visit to the mill it was sighted that the waste were well managed and allocated at the schedule waste store available. No waste were seen around the vicinity of the mill.</p> <p>Records sighted for Schedule Waste were the e-Swiss (Fifth Schedule (Regulation 11) Inventory Of Schedule Waste recorded on monthly basis and submitted online.</p> <p>Mill generates waste under the category SW 409, 410, 305, 306, 109, 103 and 102. Sighted the consignment notes of the last disposed SW on 10.01.2020 by Lagenda Bumimas licensed under DOE (003440) Valid till 30 April 2020.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p><b>- Major compliance -</b></p>	<p>There are no pesticide used in the Mill. Other Chemical Containers are triple rinsed, punctured and disposed to licensed Waste Manager. Sighted the consignment notes of the last disposed chemical containers on 10.01.2020 to Lagenda Bumimas.</p>	Complied
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p><b>- Minor compliance -</b></p>	<p>The management used to segregate the waste, i.e. general wastes and scheduled wastes was verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes with clear signage. Organic Waste is managed by the estate.</p>	Complied
<b>Criterion 4.5.4: Reduction of pollution and emission</b>			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p> <p><b>- Major compliance -</b></p>	<p>Based on the assessment done by the mill of all polluting activities as of the Environment Aspect and Impact assessment, identified sources were boiler chimney, POME treatment &amp; diesel as the main GHG pollutants.</p> <p>Current monitoring was through online boiler smoke density and alarm and quarterly boiler stack monitoring of dust particulate. Other environmental assessment carried out as per Action Plan for Environmental Assessment 2019 established.</p> <p>Sampled boiler stack emission monitoring sighted was carried out on 26<sup>th</sup> February 2019 by Multi-Serve Enterprise. Verified draft report, Ref MS/SEGARIA POM/2019/BOILER NO.2(S2)-1<sup>ST</sup> HALF.</p> <p>The average dust emission result, 287.1mg/Nm<sup>3</sup> , dry @ 12 % CO<sub>2</sub> vs regulatory limit of 400 mg/Nm<sup>3</sup> , dry @ 12 % CO<sub>2</sub>.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance																																
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. <b>- Major compliance -</b>	Significant pollutants identified are SW generated, POME discharge and boiler stack emissions. These pollutants impact to GHG were calculated through the Palm GHG calculator. Sighted the calculation for previous (2018) year i.e. Palm GHG Report – Segaria Business Unit recorded an overall total GHG emission of 0.94 tCO <sub>2</sub> e/mt of both CPO and PK products.	Complied																																
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations. <b>- Major compliance -</b>	<p>Monitoring of POME discharge conducted on monthly basis through sample analysis by external lab, Dynakey Laboratories Sdn. Bhd. Sighted sample Certificate of Analysis for the Final Discharge from the POME Pond are as below</p> <table border="1"> <thead> <tr> <th>Type of Test</th> <th>06.12.2019</th> <th>05.11.2019</th> <th>08.10.2019</th> </tr> </thead> <tbody> <tr> <td>pH Value</td> <td>8.6 @ 25°</td> <td>8.5 @ 25°</td> <td>8.6 @ 25°</td> </tr> <tr> <td>BOD</td> <td>18.8</td> <td>22.7</td> <td>19.2</td> </tr> <tr> <td>COD</td> <td>297</td> <td>267</td> <td>287</td> </tr> <tr> <td>NH<sub>3</sub>-N</td> <td>47.6</td> <td>35.6</td> <td>33.9</td> </tr> <tr> <td>Total N</td> <td>54.1</td> <td>38.2</td> <td>43.8</td> </tr> <tr> <td>Oil and Grease</td> <td>Nd&lt;2</td> <td>Nd&lt;2</td> <td>Nd&lt;2</td> </tr> <tr> <td>Suspended Soils</td> <td>29</td> <td>28</td> <td>20</td> </tr> </tbody> </table> <p>Analysis done by Dynakey Laboratories shown all results found within the limits of Raw Water Quality Standard.</p>	Type of Test	06.12.2019	05.11.2019	08.10.2019	pH Value	8.6 @ 25°	8.5 @ 25°	8.6 @ 25°	BOD	18.8	22.7	19.2	COD	297	267	287	NH <sub>3</sub> -N	47.6	35.6	33.9	Total N	54.1	38.2	43.8	Oil and Grease	Nd<2	Nd<2	Nd<2	Suspended Soils	29	28	20	Complied
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Criterion / Indicator	Assessment Findings	Compliance	
<b>Criterion 4.5.5: Natural water resources</b>			
<p><b>4.5.5.1</b></p>	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> <li>a) Assessment of water usage and sources.</li> <li>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</li> <li>c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> </ul> <p><b>- Major compliance -</b></p>	<p>Documented Water Management Plan Year 2019 inclusive of location; wastewaters produced; treatment/containment method; reuse/recycle/disposal method was sighted. The plan implemented as per following:</p> <ul style="list-style-type: none"> <li>- Identification of water sources</li> <li>- Efficient use of water</li> <li>- Renewability of water sources</li> <li>- Riparian buffer zone</li> <li>- Areas where buffer zone not established</li> <li>- Water quality monitoring</li> <li>- Effluent analysis</li> <li>- Demarcation of wetlands areas</li> <li>- Soil and water conservation measures</li> <li>- No construction of bunds/weirs/dam across main rivers</li> </ul> <p>Sampled implementation in place including the following monitoring were sighted:</p> <ul style="list-style-type: none"> <li>- Yearly estate river inlet and outlet analysis; Analysis cert. no.: E191209/07A-07C; dated: 14/12/2019 by Dynakey Laboratories Sdn Bhd</li> </ul> <p>Boustead also maintained monitoring records of water usage which recorded every day and summarised on monthly basis</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
		including the monitoring of rainfall water	
<b>4.5.5.2</b>	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. <b>- Major compliance -</b>	POME treatment was done through anaerobic ponds system and monitoring was done according to DOE license on monthly basis as per sample Certificate of Analysis; Cert. E191209/07A-07C; Sample date: 9/12/2019; Report date: 14/12/2019. The result shown BOD was within limit of <50mg/l.	Complied
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Mill Management</b>			
<b>4.6.1.1</b>	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. <b>- Major compliance -</b>	Quality Assurance Manual (QAM, Rev:01, Date:2/11/09), Mill operation Manual (MOM, Issue 2, Date: June 2002) and Standard Operating Procedure for SPOM was established to cover all the station. Sighted some of the procedure related to loading ramp, sterilization station, threshing and press station, clarification station, kernel station, depericarper station, kernel station, effluent treatment plant, boiler house, power house and water treatment plant.  Work Instructions were derived from SOPs and it were displayed at work stations at the mill and at certain locations at the estates, such as the Muster Notice Boards. Eg: WI Boiler Station, WI Sterilizer Station, WI Oil Room, WI Press Station and etc.	Complied
<b>4.6.1.2</b>	All palm oil mills shall implement best practices. <b>- Major compliance -</b>	The implementation in the SPOM was consistent with the Quality Assurance Manual and Work Instruction. Sighted Internal Audit report which was conducted once a year by Sustainability section, the internal audit was conducted on 20/12/2019 to cover the entire criterion stated in the standard and SOP.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Visiting Engineering Visit for Segaria POM was conducted on 5-7/8/2019 by Deputy Group Engineer, Group Engineering Department. The report (03/2019) was sighted.	
<b>Criterion 4.6.2:</b> Economic and financial viability plan			
<b>4.6.2.1</b>	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - <b>Major compliance</b> -	SPOM has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. Budget 2020 and 4 years planning horizon (projections 2021- 2024) was verified during the audit. Segaria POM and supply base have made progress towards achieving their performance production targets for the current financial year.	Complied
<b>Criterion 4.6.3:</b> Transparent and fair price dealing			
<b>4.6.3.1</b>	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - <b>Major compliance</b> -	The mill used to purchase and process externally source FFB but has stopped purchase of smallholder crops since 4th November 2017 and only received crops from own supply bases. However pricing mechanisms for other products and services were documented and effectively implemented as per following sample: Agreement for Supply and Construction of One (1) Block Semi-Detached Junior Staff Quarters and One (1) Block of Four (4) Units Workers Quarters c/w Electrical, Piping and Compound Drainage Works for Segaria Palm Oil Mill, Semporna, Sabah, between Boustead Emastulin Sdn. Bhd. and Palm Coast Engineering Sdn. Bhd.	Complied
<b>4.6.3.2</b>	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - <b>Major compliance</b> -	Contract was found fair, legal and transparent between both the company and the contractor, as well as purchase orders made for vendors. Payments were made in timely manner for all contract was	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		available for all contractor samples i.e. Yee Ping Trading Sdn Bhd, Syarikat Perdagangan Lean Soon Hung Sdn Bhd and Jacphenie Shipping & Freight Forwarding Sdn Bhd dated 1 Jan 2019.	
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	Sampled of the contract agreement found that a special clause on MSPO compliance where applicable to them was stated on the agreement as per sample: Agreement for Supply and Construction of One (1) Block Semi-Detached Junior Staff Quarters and One (1) Block of Four (4) Units Workers Quarters c/w Electrical, Piping and Compound Drainage Works for Segaria Palm Oil Mill, Semporna, Sabah, between Boustead Emastulin Sdn. Bhd. and Palm Coast Engineering Sdn. Bhd.	Complied
<b>4.6.4.2</b>	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	The contractors have signed on the contract agreement prior to provide services. Seen the contract agreement and details as refer to Criterion 4.6.3.1.	Complied
<b>4.6.4.3</b>	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. <b>- Minor compliance -</b>	Boustead Plantations Berhad has agreed for BSI auditors to verify the assessment through a physical inspection if required.	Complied



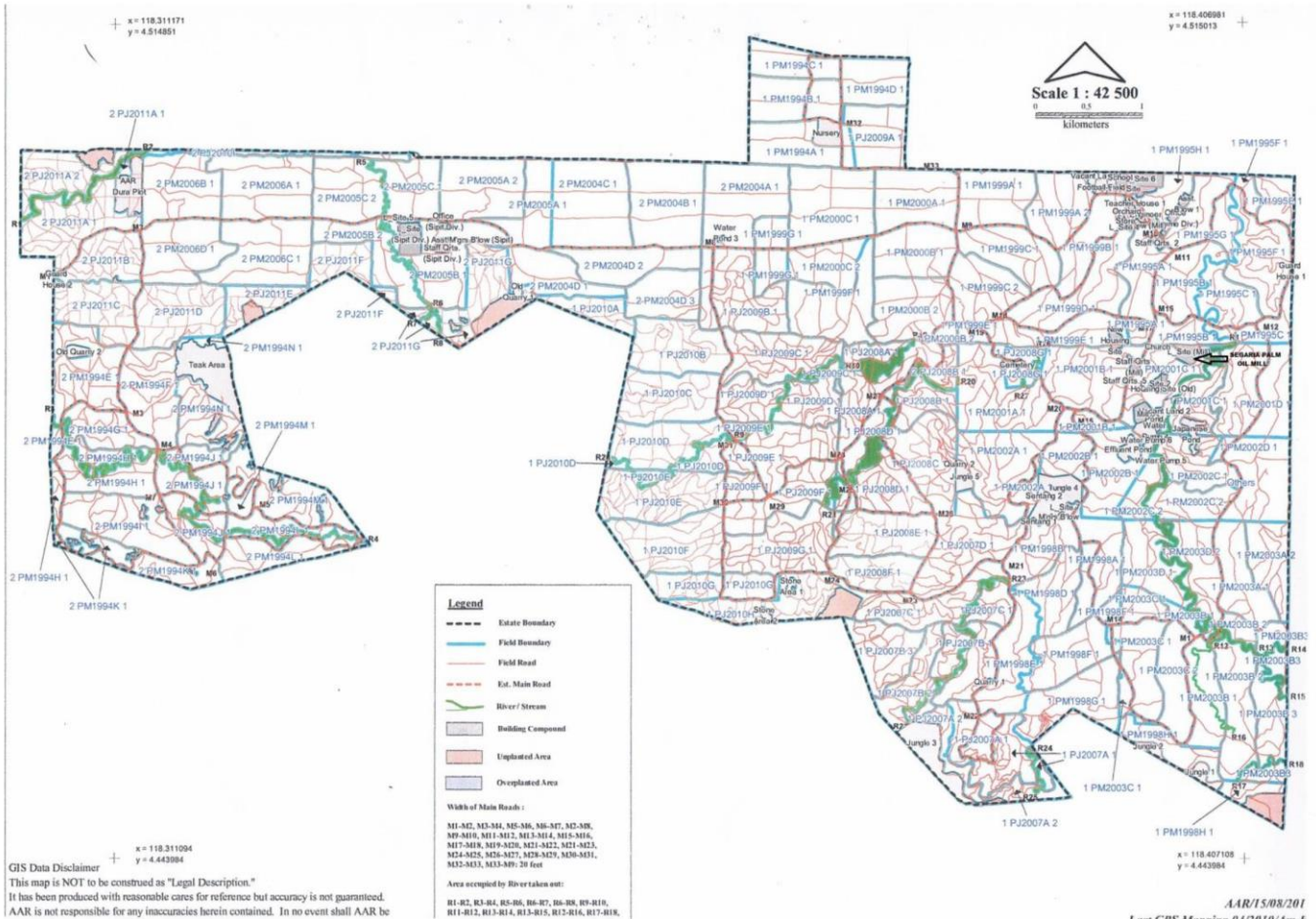
**Appendix B: List of Stakeholders Contacted**

<p><b>Government Officer:</b> Nil</p>	<p><b>Community/neighbouring village:</b> SK Ladang Segaria Teacher CLC Teacher Crèche Minders</p>
<p><b>Suppliers/Contractors/Vendors:</b> Segaria POM Canteen operator Sri Megah Engineering Yoon Seen Hong Sdn Bhd</p>	<p><b>Worker’s Representative/Gender Committee:</b> Gender Committee representative</p>

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No.	Smallholder		Location of Planted Area (District)	GPS Coordinates	Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number				
1	NA					

**Appendix D: Location and Field Map of Segaria Palm Oil Mill and Segaria Estate**



**Appendix E: List of Abbreviations**

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure