

**MALAYSIAN SUSTAINABLE PALM OIL
1st SURVEILLANCE ASSESSMENT
Public Summary Report**

Palmgroup Holdings Sdn Bhd
Client company Address: 25.1-25.2, Level 25, Wisma Sanyan No. 1, Jalan Sanyan 96000 Sibu, Sarawak
Certification Unit: Jobenar Raya Sdn. Bhd. (Jobenar Raya Tatau Estate) Location of Certification Unit: Jobenar Raya Sdn. Bhd. Lot 1, Block 19, Buan Land District, 97200 Tatau, Bintulu, Sarawak

Report prepared by:
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Report Number: 9673968

Assessment Conducted by:

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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	503943902000		
Company Name	Jobenar Raya Sdn. Bhd. (Jobenar Raya Tatau Estate)		
Address	Jobenar Raya Sdn. Bhd. Lot 1, Block 19, Buan Land District 97200 Tatau, Bintulu, Sarawak		
Group name if applicable:	Palmgroup Holdings Sdn. Bhd.		
Subsidiary of (if applicable)	NA		
Contact Person Name	John Pang Ing Hui (Operation General Manager)		
Website	NA	E-mail	johnpang@mafrica.com.my
Telephone	019-8748150	Facsimile	NA

1.2 Certification Information			
Certificate Number	Plantations: MSPO 681059		
Issue Date	02/11/2018	Expiry date	01/11/2023
Scope of Certification	Production of Sustainable Oil Palm Fruits		
Stage 1 Date	13/11/2017		
Stage 2 / Initial Assessment Visit Date (IAV)	19/03/2018		
Continuous Assessment Visit Date (CAV) 1	29/08/2019		
Continuous Assessment Visit Date (CAV) 2	NA		
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
NA			

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
Jobenar Raya Sdn Bhd	Lot 1,Block 19, Buan Land District 97200 Tatau, Bintulu, Sarawak	112° 44' 44.35" E	2° 52' 5.00" N

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1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
Jobenar Raya Sdn Bhd	0.00	1,625.52	1,099.40	0.00	0.00

1.5 FFB Production (Actual) and Projected (tonnage)			
Producer Group	Projected from last audit (Jan – Dec 2018)	Actual production (Oct 2018 – July 2019)	Projected production for next 12 months (Oct 2019 – Sep 2020)
Jobenar Raya Sdn Bhd	58,337.59	58,337.59	53,204.04

1.6 Certified CPO / PK Tonnage			
Mill	Estimated (Previous Year)	Actual (This Year)	Forecast (Next Year)
NA	CPO (OER: %)	CPO (OER: %)	CPO (OER: %)
	NA	NA	NA
	PK (KER: %)	PK (KER: %)	PK (KER: %)
	NA	NA	NA

1.7 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Jobenar Raya Sdn Bhd	2,724.92	174.08	10.00	2,909.00	93.67
TOTAL	2,724.92	174.08	10.00	2,909.00	93.67

1.8 Details of Certification Assessment Scope and Certification Recommendation:

BSI Services Malaysia Sdn Bhd has conducted Annual Surveillance Certification Assessment 1 (ASA_1) of Jobenar Raya Tatau Estate, located in Sibul, Sarawak comprising 1 estate and infrastructure.

The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder and MSPO Guidance - Part 2_EDITED VERSION (100114).

The onsite assessment was conducted on 29/8/2019.

Based on the assessment result, Jobenar Raya Tatau Estate complies with the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized and MSPO Guidance - Part 2_EDITED VERSION (100114) and recommended for certification.

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
Suite 29.01 Level 29,
The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 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 29/8/2019. The audit programme is included as Appendix A. The approach to the audit was to treat the Jobenar Raya Tatau Estate 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 Part 3: General principles for oil palm plantations and organized smallholder 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.

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.

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

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

1. Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Jobenar Raya Sdn Bhd	√	√	√	√	√

Tentative Date of Next Visit: August 28, 2020

Total No. of Mandays: 2 Mandays

BSI Assessment Team:

Muhammad Fadzli Masran – Lead Assessor

He holds Bachelor Degree in Forestry Science, graduated from University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers’ welfare, workers’ occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. Fadzli had accumulated auditing experience when he was the internal auditor for ISO 9001 and ISO 14001 at Kulim Plantations. He has completed ISO IMS 9001, 14001, 45001 (OHS 18001) Lead Auditor Course in April 2018 and endorsed RSPO Lead Auditor Course in July 2018. Fluent in Bahasa Malaysia and English Language. During this assessment, he assessed on the aspects of mill and estate best practices, waste management, HCV, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Mohd Hidhir Zainal Abidin – Team Member

He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 14001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers & stakeholders consultation.

Accompanying Persons: NA

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 were one (1) Major & one (1) Minor nonconformities raised. The Jobenar Raya Tatau Estate 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 action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Major Nonconformities:		
Ref	Area/Process	Clause
1817556-201903-M1	Plantations	4.4.5.3
Requirements:	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.	
Statement of Nonconformity:	Pay and conditions for daily rated and piece rated workers does not meet Sarawak Labour Ordinance under section 105 (5)	
Objective Evidence:	Pay and conditions for daily rated and piece rated workers does not meet Sarawak Labour Ordinance. Sample of payslips/check roll/attendance and payment advice (piece rated) checked: Daily rated workers i) MY00001553, June 2019, check roll/work attendance (Sunday work – 23/6/19 ii) MY00000979, June 2019, check roll/work attendance, (Sunday work – 23/6/19 Piece rated workers i) AT095508, May 2019, check roll for May 2019 (Sunday work – 5/5/19 and 26/5/19) ii) B7917272, July 2019, payment advice, (Sunday work -7/7/19 tonnage- 3.7797mt @ 200 bunches x normal rate of RM34/mt)	
Corrections:	To reimburse workers based on audit findings.	
Root cause analysis:	The monitoring activity was not in regular schedule	

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Corrective Actions:	<ol style="list-style-type: none"> To ensure that any relevant memo/ circular is updated with the latest statutory requirement. Senior HR Executive & HR Executive (2 persons) at Head Office will be assigned to assist in monitoring company internal policy (memo/ circular, etc) and to inform the management if there any need for the policy to be reviewed to meet the latest statutory requirements on Labour Ordinance Sarawak (Act A1237), Section 105C.
Assessment Conclusion:	<p>Evidence submitted:</p> <ol style="list-style-type: none"> Reimbursement payment for the said workers as per payslip period 9/2019 Internal Memo to the Senior HR Executive & HR Executive for appointment to assist in monitoring company internal policy (memo/ circular, etc) and to inform the management if there any need for the policy to be reviewed to meet the latest statutory requirements on Labour Ordinance Sarawak (Act A1237), Section 105C. Refer communication email dated 30/10/2019 <p>The evidence of the correction and corrective action were adequate to close the NCR. Effectiveness of the implementation shall be verified in the next assessment.</p>

Minor Nonconformities:		
Ref	Area/Process	Clause
1817556-201903-N1	Plantations	4.4.4.2
Requirements:	<p>The occupational safety and health plan shall cover the following:</p> <ol style="list-style-type: none"> A safety and health policy, which is communicated and implemented. The risks of all operations shall be assessed and documented. 	
Statement of Nonconformity:	The safety and health policy and existing control in HIRARC Register is not effectively implemented	
Objective Evidence:	Noted during site visit and interview with the harvester, sighted the harvester wear short pants which are suitable. In the HIRARC register, clearly stated that harvester must wear long trousers in current control measures.	
Corrections:	<ol style="list-style-type: none"> Inspection and enforcement to monitor of PPE usages. Promote awareness among the co-worker regarding the PPE and suitable clothing for working. 	
Root cause analysis:	<ol style="list-style-type: none"> Poor supervision from estate team management. Safety awareness training is not carry out regularly to continuously educate workers. 	
Corrective Actions:	<ol style="list-style-type: none"> To plan schedule for inspection and enforcement to monitor of PPE usages. To brief during induction laws and regulation before worked in Jobenar Raya Sdn. Bhd. To give safety and health awareness from time to time. 	
Assessment Conclusion:	<p>Evidence submitted:</p> <ol style="list-style-type: none"> Workplace inpection records dated 4/10/2019 and 18/10/2019. Nonconformance report issued dated 5/10/2019 and 18/10/2019. HIRARC review dated 28/10/2019. 	

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	<p>iii. Workplace inspection summary records for month of October 2019 dated 28/10/2019.</p> <p>iv. Safety and Health Committee Workplace Inspection Meeting dated 21/10/2019</p> <p>v. Training records as follows:</p> <p>a. SSOP for harvesting, cut or prune with parang or knife and PPE training dated 5/10/2019.</p> <p>b. SSOP for harvesting, cut or prune with parang or knife and PPE training dated 19/10/2019.</p> <p>The effectiveness of the implementation will be verified during next assessment</p>
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Noteworthy Positive Comments	
1.	Good cooperation and commitment from the management and staff
2.	Management, staff and workers were able to demonstrate good understanding on sustainability
3.	Good housekeeping of documentation

3.3 Status of Nonconformities Previously Identified and OFI

Major Nonconformities:		
Ref	Area/Process	Clause
1608454-201802-M1	Plantations	4.5.3.3
Requirements:	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.	
Statement of Nonconformity:	The documentations of movement and disposal of scheduled wastes were not adequate	
Objective Evidence:	The estate has disposed its scheduled wastes such as spent lubricants (SW305), contaminated filters (SW410) and used batteries (SW102) to a facility (Kien San Metal Sdn Bhd) and transported by Jun Enterprise. However, the recordings of inventory in accordance to the Fifth Schedule and the utilization of consignment note in accordance to the Sixth Schedule of the EQ (SW) Reg. 2005 were not done.	
Corrections:	To updated the inventory records in accordance to 5th schedule and to completely fill-in the 6th schedule as per requirements.	
Root cause analysis:	No responsible person assigned to monitor the process at respective units/departments.	
Corrective Actions:	<ol style="list-style-type: none"> 1. To assign responsible person with appointment letter at every respective section to ensure the documentation process is completed. 2. Provide training to the responsible person. 	
Assessment Conclusion:	Evidence submitted: - Completed 5th and 6th schedule of the EQ (SW) Reg. 2005 - Appointment letter dated 22/5/2018 & 18/5/2018 to Lu Tiong Ing & Lau Hieng Sung as persons responsible in handling SW. Job description was also attached with the letter - Training records of SW handling and storage guidance dated 18/5/2018 for the appointed persons	

	The evidence of the correction and corrective action were adequate to close the NCR. Effectiveness of the implementation shall be verified in the next assessment.
ASA 1 Status:	<p>Jobenar Raya Sdn Bhd has established SOP for handling Scheduled Waste and documented in Scheduled Wastes Handling and Storage Guidance. Refer doc. no. PGHSB/SOPP/014/2016, ver 1, dated 21/11/2016.</p> <p>The estate has appointed person responsible to manage the Scheduled Waste generated. Sighted the appointment letter and jobs description as follows:</p> <ul style="list-style-type: none"> i. Letter ref. no JR/AL/SW/18/05/001 dated 18/5/2018 ii. Letter ref. no JR/AL/SW/18/05/002 dated 18/5/2018 <p>Scheduled waste was stored at designated storage area and disposed by licensed contractors. Sighted the inventory in E-SWISS for the month of March to July 2019 and sampled disposal records as follows:</p> <ul style="list-style-type: none"> i. 17/5/2019, SW 305, CN. No. 10197 <p>The implementation of the corrective action plan was effectively implemented. Thus, the NC remain closed.</p>

Major Nonconformities:		
Ref	Area/Process	Clause
1608454-201802-M2	Plantations	4.5.3.4
Requirements:	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.	
Statement of Nonconformity:	The empty chemical containers were not disposed according to the "Scheduled Wastes Handling and Storage Guidance" [PGHSB/SOPP/014/2016, ver 1, dated 21/11/2016].	
Objective Evidence:	The empty chemical containers from Jobenar Raya are sent to other estate (e.g. Palmraya Pelita Sikat) as the current practice of disposal [e.g. refer to Dispatch Note # 0000183, dated 18/1/2018 to Palmraya Pelita Sikat, quantity: 218 pcs]. However, in the procedure, the mechanism to transfer in such a way was not spelt out. Only the mechanism to dispose through an authorized collector was described.	
Corrections:	The management has decided to not continue the practice transferring empty chemical container between estates. Therefore, the procedure will be followed according to company SOP.	
Root cause analysis:	Transferring of empty chemical containers (after washed) to other estates in the beginning was made because of request at once but eventually leads custom practice.	
Corrective Actions:	<ol style="list-style-type: none"> 1. The decision to be discussed and minuted in management meeting. 2. Estate need to issue internal memo/circular to stop empty chemical container sent to other estate. 3. To ensure all record is up-keep into the monitoring log book record and required consignment note will be properly documented. 	

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Assessment Conclusion:	<p>Evidence submitted:</p> <ul style="list-style-type: none"> - Minutes of meeting dated 9/4/2018 where decision not to transfer empty chemical containers to other estates was recorded - Internal memo dated 2/4/2018 to inform all employees not to send empty chemical containers to other estates anymore - Inventory log book to monitor the movement of the chemical containers <p>The evidence of the correction and corrective action were adequate to close the NCR. Effectiveness of the implementation shall be verified in the next assessment.</p>
ASA 1 Status:	<p>Empty pesticide containers was punctured and disposed through licensed contractors as stated in Scheduled Wastes Handling and Storage Guidance, PGHSB/SOPP/014/2016, ver 1, dated 21/11/2016.</p> <p>At the point of visit, the empty chemical containers triple rinsed, punctured and stored in designated storage area under locked and key.</p> <p>The implementation of the corrective action plan was effectively implemented. Thus, the NC remain closed.</p>

Major Nonconformities:		
Ref	Area/Process	Clause
1608454-201802-M3	Plantations	4.4.5.11
Requirements:	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.	
Statement of Nonconformity:	<p>Requirements 6. (1) (a), 6. (1) (c) & 6. (1) (d) were found not fully complied for housing in Jobenar Raya Tatau Estate as per Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) Clause 6: Supply of water and electricity and maintenance of houses:</p> <p>6. (1) Where workers and their dependants are provided with housing at their place of employment it shall be the duty of the employer of such place of employment –</p> <ul style="list-style-type: none"> (a) to provide free and adequate piped water drawn from a public main, or where the Director General so permits in writing, to provide free and adequate supply of potable piped water drawn from any other source which shall be filtered and treated in a manner approved by the Director General; (b) to provide adequate electricity supply; (c) to ensure that the buildings are kept in a good state of repair and painted to present a satisfactory appearance; and (d) to ensure that no unauthorized extensions or structural alterations are made to the buildings. 	
Objective Evidence:	Sampled labour line road 16B.	
Corrections:	<ul style="list-style-type: none"> - (a) To get proper consent and approval in writings from respective authorities such as Jabatan Tenaga Kerja Sarawak. - (c) Create improvement plan for building and facilities maintenance. - (d) To issue internal memo/circular to inform management instruction not to do any unauthorized extensions. 	
Root cause analysis:	<ul style="list-style-type: none"> - (a) No verification and approval made on the standard requirement applicable to Sarawak. - (c) There is no improvement plan for building maintenance. 	

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	- (d) No enforcement made to instructing worker not to make unauthorized extensions.
Corrective Actions:	- (a) (i) To check and to consult from time to time in the future with relevant authorities for additional measures. (ii) To ensure that the existing measures such as analysis on water drinking is continuously monitor. - (c) (i) Carry out facilities maintenance and inspection according to the plan. - (d) (i) Conduct briefing to all workers to follow company requirement on its properties.
Assessment Conclusion:	Evidence submitted: - (a) E1 Consent Letter From JTK Sarawak & E2 Water Supply Plan_ JRT - (c) E1 & E2 Facilities Maintenance Plan_ JRT & E3 Facility Inspection Record_ JRT - (d) E1 Memo on Unauthorize Extensio_ JRT & E2 Briefing to worker_ JRT The evidence of the correction and corrective action were adequate to close the NCR. Effectiveness of the implementation shall be verified in the next assessment.
ASA 1 Status:	Workers were provided with housing in clean and conducive condition. Progressively old wooden house will be replaced with concrete house as part of continual improvement plan. As minimum, line site inspection has been conducted by site safety officer in 3 monthly basis. Inspection has yet to be conducted as the annual inspection plan. As for Sarawak, Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) is not applicable. Refer to letter from Labour Department, ref. no.: JTKSWK/DA/(S)18 JLD 3 (27) dated 15/5/18. The implementation of the corrective action plan was effectively implemented. Thus, the NC remain closed.

3.4 Issues Raised by Stakeholders

IS #	Description
1	<p>Issues:</p> <p><u>Workers' Representatives</u></p> <p>Overtime and basic salary were on time and paid accordingly. No discrimination occur between locals and foreign worker as well as among male and female.</p> <p>Management Responses:</p> <p>Estate will continue the good practices.</p> <p>Audit Team Findings:</p> <p>No further issue.</p>
2	<p>Issues:</p> <p><u>Contractors</u></p> <p>Contractors are having a valid contract with Jobenor Jaya Estate and payments were made accordingly. Their workers are staying outside the estate since the workers are locals. No other issue raised.</p> <p>Management Responses:</p> <p>Estate will continue the good practices.</p> <p>Audit Team Findings:</p> <p>No further issue.</p>

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1608454-201802-M1	Major	19/03/2018	Closed out on 21/5/2018.
1608454-201802-M2	Major	19/03/2018	Closed out on 21/5/2018.
1608454-201802-M3	Major	19/03/2018	Closed out on 21/5/2018.
1817556-201903-M1	Major	29/08/2019	Closed out on 4/11/2019.
1817556-201903-N1	Minor	20/08/2019	Open

3.6 Summary of the findings by Principles and Criteria

MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder

Criterion / Indicator	Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility		
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy		
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Jobenar Raya Sdn Bhd has established a policy on sustainable palm oil production. Signed by MD, Mr Tiong Chiong Hee dated 5/5/2017 [Reference: MSPO Management Policy and Procedure, PGHSB/SOPP/014/2016, version 1 dated 20/4/2016
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The established policy has emphasized on the commitment for key legal, social and environmental consideration with the objective of improving the estate operation.
Criterion 4.1.2 – Internal Audit		
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Based on the company’s internal audit procedure Clause 7.2.1, internal audit shall be conducted semi-annually. The internal audit was carried by Sustainability team on 8-10/5/19 for Jobenar Raya Sdn Bhd by 3 internal auditors. Audit covered both documentation and field operations. Rating was given based on audit finding. Audit report was available with the summary of findings for each respective work units.

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Criterion / Indicator		Assessment Findings	Compliance
4.1.2.2	<p>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.</p> <p>- Major compliance -</p>	<p>Jobenar Raya Sdn Bhd has implemented its Internal Audit Procedure under the MSPO Management Policy and Procedure, PGHSB/SOPP/014/2016, version 1 dated 20/4/16 which was prepared by Assistant Manager OHS and Environment, Mr Raymond Nyian. Internal audit procedure is under Appendix 1 of the procedure.</p> <p>The procedure has incorporated the internal auditor competency requirement. By default, internal audit is planned once a year. Total of 17 NC raised in the latest audit. Refer to corrective action plan dated 11/5/19 was established. Some of the NCs are still in the process of closure and yet to be closed in due time.</p>	Complied
4.1.2.3	<p>Report shall be made available to the management for their review.</p> <p>- Major compliance -</p>	Internal audit report dated 29/05/2019 was made available for management review.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>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.</p> <p>- Major compliance -</p>	MSPO Management Review was carried out on 15/5/2019. Minute Meeting of Management Review MSPO was available. All pertinent elements for MSPO implementation has been reviewed and presented to top management.	Complied

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	Action plan for continual improvement was established based on EIA report dated October 1998, by Chemsain Konsultant [report no.: CK/EIA/186/98] and approved by NREB on 22/2/1999 [ref. no.: (22)NREB/6-4/92]. Action plan is documented in Environmental Monitoring Plan.	Complied
4.1.4.2	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. - Major compliance -	This is obtained through participation on various trainings or seminars such as ISP, Sarawak Oil Palm Plantation Owners Association (SOPPOA) and training by suppliers (agrochemicals, tools, and machinery).	Complied
4.1.4.3	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. - Major compliance -	If there is any new techniques or new industry standard or technology suitable to be implemented by the company, action plan is normally incorporated in the company’s training plan where type of training is identified, date of training, identified participants and training provider.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and	Information requested by relevant stakeholders was communicated in appropriate languages and forms as per sighted Procedure of	Complied

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	forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Application for Company's Information & Application for Company Information Flow Chart that requires stakeholder need to fill in Information Request Form. The procedure was established by Agronomy & Sustainability Department – Mafrica Group. Palmgroup Holdings for Sustainability Team. The Procedure of Application for Company's Information & Application for Company Information Flow Chart requires stakeholder/requester to fill in Information Request Form. The "Records Book of Stakeholders or Interested Party Who Has Viewed/Obtained Documents" has been spelt out in the procedure/flow chart. The traceability or control of "Application for Company Information Flow Chart" form (which might include running number doc. & form ref. # & date in case of any revision/changes) was made available	
4.2.1.2	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. - Major compliance -	Records of request for information maintained under file Action Request. Most of the requests are internal i.e. housing repair request by the workers raised during JCC Meeting. In general all the documents are available upon request.	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	Procedures established for the whole operating units under Palmgroup Holdings Sdn. Bhd. verified as following: i) Communication and Consultation Procedures; Ref. no. PGHSB/SOPP/001/2015 (2019-02) Ver. 2; Date issued: 15/4/19;	Complied

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		ii) Complaint and Grievance Procedures; Ref. no PGHSB;SOPP/002/2015; Ver. 1; Date issued: 21/12/2015 iii) Task: TQM Management Plan on Grievance and Complaint Procedure-C6.3 iv) Flowchart of Complaint in Jobenar Raya Tatau Estate Complaint and Grievance Policy; Signed by Managing Director; Date: 5/5/2017	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	A management official was nominated as per Appointment for Social & Legal Officer Letter; Ref. # JRSB/SL/002; Date: 23/1/2019; Saba Mujah (Asst. Manager) valid for 1 year.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	The lists and records were properly maintained in file Title: Registers of Stakeholders; Ref. # ST 02; dated 23/8/19. - List of Contractors - List of Suppliers - List of Government Bodies - List of Community Groups & NGOs - List of Local Community - List Internal Stakeholders – Store, mess, workshop, security house, estate genset room.	Complied
Criterion 4.2.3 – Traceability			

Criterion / Indicator		Assessment Findings	Compliance
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	SOP on the traceability of the FFB has been established under Guidelines on Traceability Procedures, PGHSB/SOPP/001/2017, rev: 01 dated November 2016.	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections were checked through daily in-field harvesting standard and FFB quality form inspection. Refer to report dated 14/6/19 at phase 3 block D13. Rating given for 4 criteria mainly on field condition, safe handling, quality harvesting and production recording. 0 – not comply, 1 – more improvement, 2 – satisfactory, 3 – perfect. Overall satisfactory rating given by the inspector.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The assistant managers were appointed as the person in-charge in ensuring the implementation of the traceability system [ref.: Clause 4.2 of the MSPO procedure].	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Based in verification of FFB delivery documents such as FFB dispatch chit, mill weighbridge ticket, FFB daily records book and monthly summary of FFB dispatch, the traceability was found to be in order. The information about date of delivery, origin field of FFB, weight and number of bunches was well recorded.	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>The estate continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and sustainability team. Mill had obtained and renewed license and permits as required by the law. Sample of licenses or permit viewed were:</p> <p>i. MPOB License no. 503943902000. Validity from 1/6/2019 till 31/5/2020</p> <p>ii. Diesel Permit no. BTU.P.07/2018 (D). Validity from 6/9/2018 till 5/9/2019</p> <p>iii. Air Compressor Pernit no. PMT-SW/18 22253. Validity from 16/8/2018 till 15/11/2019.</p>	Complied
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>The estate has identified all applicable laws and other requirements and documented in Legal Register. Refer doc. no. OT05. The list was updated if there any updated to the Legal Register. Latest updated was done in August 2019 with addition on Noise Regulations 2019 and Employee Circular no 3 2018 on SOCSO Act 1969.</p>	Complied
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>The Sustainability Unit (in HQ) is responsible to update the legal requirements register. The most common method used were obtaining information from websites of government agencies and news.</p> <p>The Legal Register was updated if there any updated version or new applicable law or other requirements. Latest updated was done in August 2019 with addition on Noise Regulations 2019 and Employee Circular no 3 2018 on SOCSO Act 1969.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance						
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	The Sustainability Unit (in HQ) is responsible to update the legal requirements register and will communicated to all operating units through email and internal memo. The most common method used were obtaining information from websites of government agencies and news.	Complied						
Criterion 4.3.2 – Lands use rights									
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	The management ensured their oil palm cultivation do not diminish the land use rights based on verification as following: - Estate Facilities Plan – Main office, store, quarters, field block L/Q RD 30B - Location of Surrounding Longhouses – Rh. Chendang ; Rh. Bedari A1 map title: Boundary Pegs; Map ref. # JR-T-2017-11-10-01; Date:10/11/2017; Land Survey by Bormap Surveys Sdn. Bhd.; Sample boundary peg # Station 532; Coordinate: 2338149.100° E; 5323481.063° N	Complied						
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	Documents showing legal ownership or lease, history of land tenure and the actual use of the land was verified as per the following: <table border="1" data-bbox="1048 1098 1877 1353"> <thead> <tr> <th>Land title/agreement</th> <th>Legal ownership/lease</th> <th>Land use type</th> </tr> </thead> <tbody> <tr> <td>TRN: 09-LCLS-045-019-00002, Buan Land District, lot 2, section/block 19</td> <td>Leasehold for 60 years until 23rd March 2059</td> <td>Agriculture</td> </tr> </tbody> </table>	Land title/agreement	Legal ownership/lease	Land use type	TRN: 09-LCLS-045-019-00002, Buan Land District, lot 2, section/block 19	Leasehold for 60 years until 23 rd March 2059	Agriculture	Complied
Land title/agreement	Legal ownership/lease	Land use type							
TRN: 09-LCLS-045-019-00002, Buan Land District, lot 2, section/block 19	Leasehold for 60 years until 23 rd March 2059	Agriculture							

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Criterion / Indicator		Assessment Findings			Compliance
		Total area: 1950 ha			
		TRN: 09-LCLS-045-012-00002, Buan Land District, lot 2, section/block 12 Total area: 959 ha	Leasehold for 60 years until 24 th March 2059	Agriculture	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	The legal perimeter boundary markers were clearly demarcated and visibly maintained on the ground as per sample sighted in the field block boundary to stakeholder area visited.			Complied
4.3.2.4	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). - Minor compliance -	No any disputes on land ownership where in case of any, the process will be conducted based on Flow Chart 1: FPIC Process Guide – Title: Identification of Customary Land Rights and Compensation Procedure; Ver. # 1; Ref. # PGHSB/SOPP/005/2015; Date: 21/12/2015			Complied
Criterion 4.3.3 – Customary rights					
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	There’s no land encumbered by customary rights in Jobenar Raya Estate, hence this indicator is not applicable			Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	There's no land encumbered by customary rights in Jobenar Raya Estate, hence this indicator is not applicable	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There's no land encumbered by customary rights in Jobenar Raya Estate, hence this indicator is not applicable	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	Plans and impact assessments relating to environmental and social impacts based on records of following: Internal: Social Impact Assessment (SIA) Mitigation Plan; Version: 1 (OCT2016)/SU; Dated: 10/10/2016; By: Raymond Nyian; SR0: Social Management System – Stakeholder Register - Template ST02 Register of Stakeholder; Communication and consultation mechanisms and social risk identified as per below: - SR0: Social Management system - SR1: Local community; - SR2: Traceability & fair trade - SR3: OSH	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> - SR4: Work Conditions - SR5: Living conditions (Poor risk rating given by Wild Asia) - SR6: Women & Children <p>Mitigation plan: housing inventory, complaint & grievance record, emergency response plan fire evacuation, water shortage, facility inspection record</p> <p>External: Wild Asia (Malaysia); Project Ref.: P438 Palmgroup; Final Report Social Impact Assessment; Palmgroup Holdings Sdn. Bhd. 21 June 2019. Summary of Findings:</p> <ul style="list-style-type: none"> - Hiring of workers in relation to legal and national legislation compliance - Work conditions covering human rights issues and national legislation compliance - Housing or workers in relation to legal and national legislation compliance - Health and safety with regards to workers and women groups - Workforce suppliers in relation to legal and national legislation compliance - External stakeholder engagement - Social Continual Improvement Plan 2019 dated 4/1/2019 included parameter to monitor for impacts identified such as facility, complaint & grievance, communication & consultation, sexual harassment, customary land rights & compensation procedure, child labour etc. 	

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Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	A system for dealing with complaints and grievances established as Complaint and Grievance Procedures; Ref. # PGHSB/SOPP/002/2015; Ver. 1; Date issued: 21/12/2015	Complied
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Based on sampled "Borang Aduan" and above procedure, the system able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	Any complaints will reported through official complaint form (formal/informal/sensitive) and will be discussed during meeting. Latest meeting dated 27/8/19, has discussed the issue related to house repair and squatters issues. Status of complaints are closed and resolution of the issues will be informed officially through letter to the said complainants.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	During the site visit, it was confirmed that employees and surrounding communities are aware on the complaints and suggestion can be made anytime to the management. Most of the complaint raised through verbal and recorded in the complaint form.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	The complaint records are available and recorded since 2016. For example latest complaint was recorded in May 2019, related to house repair.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
- Major compliance -			
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>The management has allocated some fund for local contribution and donation. Besides, the estate also made contribution to longhouse for festival celebration and school teacher's day celebration etc. For example request from PIBG SK Kelawit dated 26/8/19.</p>	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Jobenar Raya Sdn Bhd has established Safety and Health Policy signed by the Managing Director dated 1/1/2019. In the policy stated the commitment of the company to ensure the estate area is safe and healthy to all its workers and to everyone who is involve in its estate activities. The policy was available in Bahasa Malaysia and English.</p> <p>The policy was communicated to all the employee through briefing, training and displayed on signboard at designated place at the estate.</p> <p>The estate has established OSH Plan FY 2019-2020. Sighted the implementation of the management plan as follows:</p> <p>i. Medical Surveillance was conducted on annually basis. Latest surveillance was conducted on 10/7/2018. The employee was found fit to work. The report was available for review. Next surveillance is scheduled in September 2019.</p> <p>ii. Workplace inspection was conducted on once every 4 months. Sighted the workplace inspection for dated 14/3/2019, and 14/1/2019.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.4.2 The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied 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). 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. 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>Jobenar Raya Sdn Bhd has established Safety and Health Policy signed by the Managing Director dated 1/1/2019. The policy was communicated to all the employee through briefing, training and displayed on signboard at designated place at the estate.</p> <p>The estate has conducted risk assessment on all main and support operations in the estate and documented in the HIRARC register. The HIRARC was reviewed on annually basis or when necessary.</p> <p>Noted during document review, the HIRARC was reviewed for harvesting operation on 16/5/2019 for accident cases happen on 14/5/2019.</p> <p>Noted during site visit and interview with the harvester, sighted the harvester wear short pants which are suitable. In the HIRARC register, clearly stated that harvester must wear long trousers in current control measures.</p> <p>The management have provided appropriate PPE to all workers base on type of work requirement. Sighted the PPE issue recorded in 'Rekod Pengeluaran Alatan Perlindungan Diri' dated 11/4/2019, 1/4/2019, and 29/3/2019.</p> <p>All workers involve with pesticides handling was provided with continuous training as planned in the training program. Sighted the training conducted as follows:</p> <ul style="list-style-type: none"> i. SOP for manuring and spraying training dated 24/1/2019 ii. SOP for chemical mixing training dated 29/1/2019 	<p>Minor NC</p>

Criterion / Indicator	Assessment Findings	Compliance
<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>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>iii. Chemical safety training dated 1/3/2019</p> <p>iv. Agrochemical safety handling and calibration training dated 28/2/2019</p> <p>The management has established Safety Operation procedure for chemical handling – Chemical and Fertilizer store, Chemical mixing and Chemical spraying. Noted during site visit, the chemical was stored in the designated store under lock and key. The balance chemical from the premixing of chemicals was stored back in the chemical store.</p> <p>Jobenar Raya Sdn Bhd has appointed the Estate Manager as Safety and Health committee Chairman as per appointment letter signed by the Operational General Manager dated 23/1/2019. The estate management has appointed safety and health consist of secretary, management representative and employee representative. The committee conducted meeting on quarterly basis to discuss on safety and health issue such as workplace inspection reports, training reports, accidents reports, medical surveillance and etc. Sighted the minutes dated 12/4/2019 and 19/1/2019.</p> <p>The estate has established accident and emergency procedures and documented in Plantation Fire Preparedness Plan and Responds Plan. Noted during interview with workers, they can explained the emergency response procedure during fire incident at linesite.</p> <p>The first aid box was provided at few station at workplace with responsible first aider. Latest training was conducted on 26/12/2018</p> <p>Accident records were maintain and updated by the Safety and Health Coordinator and reported to the HQ on monthly basis. The accident</p>	

Criterion / Indicator		Assessment Findings	Compliance
		records was discuss during safety and health committee meeting conducted on quarterly basis.	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<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>- Major compliance -</p>	<p>The policies on good social practices regarding human rights in respect of industrial harmony for Palmgroup Holdings Sdn Bhd were established as as following:</p> <ul style="list-style-type: none"> - Employment Policy; Ref. # PGHSB/SOPP/011/2016; Ver. 01; Date issued: 22/2/2016 - Child Labour Policy; Ref. # PGHSB/SOPP/005/2016; Ver. 02; Date issued: 5/5/2017 - Equal Opportunity Policy; Ref. # PGHSB/SOPP/007/2016; Ver.02; Date issued: 5/5/2017 - Special Labour and Forced Labour Policy; Ref. # PGHSB/SOPP/008/2017; Ver. 02; Date issued: 5/5/2017 - Freedom of Association & Collective Bargaining Policy; Ref. # PGHSB/SOPP/009/2017; Ver. 02; Date issued: 5/5/2017 - Human Rights Policy; Ref. # PGHSB/SOPP/010/2017; Rev. 02 Date issued: 5/5/2017 - Sexual Harassment Policy; Ref. # PGHSB/SOPP/012/2017; Rev. 02; Date issued: 5/5/2017 - Women Rights Policy; Ref. # PGHSB/SOPP/013/2017; Rev. 02; Date issued: 5/5/2017 	Complied

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		<p>- Zero Burning Policy; Ref. # PGHSB/SOPP/014/2015; Rev. 01; Date issued: 21/7/2015</p> <p>- Complaints and Grievance Procedures; SOPP/002 - Communication and Consultation Procedures; SOPP/00</p>	
4.4.5.2	<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, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>There are no discriminatory practices in Jobenar Jaya Sdn Bhd. The workers were equally treated for male and female and locals and foreign workers. All workers receive free accommodation, electricity, medical and insurance.</p>	Complied
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>- Major compliance -</p>	<p>Pay and conditions for daily rated and piece rated workers does not meet Sarawak Labour Ordinance. Sample of payslips/check roll/attendance and payment advice (piece rated) checked:</p> <p>Daily rated workers</p> <p>i) MY00001553, June 2019, check roll/work attendance (Sunday work – 23/6/19)</p> <p>ii) MY00000979, June 2019, check roll/work attendance, (Sunday work – 23/6/19)</p> <p>Piece rated workers</p> <p>i) AT095508, May 2019, check roll for May 2019 (Sunday work – 5/5/19 and 26/5/19)</p>	Major NC

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		ii) B7917272, July 2019, payment advice, (Sunday work -7/7/19 tonnage- 3.7797mt @ 200 bunches x normal rate of RM34/mt) Thus, a major NC was issued.	
4.4.5.4	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. - Minor compliance -	No external contractors employees involved in direct estate operations i.e production (harvesting) and maintenance (upkeep, spraying, manuring, etc.) except for FFB transport contractor.	Complied
4.4.5.5	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. - Major compliance -	The master list of workers are available containing the worker's name, D.O.B, age, gender, job description, etc. Workers Master list as at August is referred to. Total of 105 workers were employed. Out of 105 workers, 54 TKI were employed by the company. Refer Permit to employ non-resident workers, ref. no. 8-PTK-MG-BU-.11123-133(A) JLD.11. Application for additional quota of 1 worker and valid until 24/3/21.	Complied
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 is available for each and every employee indicated in the employment records. - Major compliance -	All employees were provided with fair contracts that have been signed by both employee and employer. Copy of contract available ass per sample employment contract file and pay slips verified as per sampled employment contract file: i)Local	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - MY00001553, date join 19/2/2008 - MY00000300, date join 20/11/2004 - MY00000979, date join 1/9/2006 ii)Foreign workers - AT095508, date join 19/8/2016 - B0760306, date join 16/8/2018 - B7917272, date join 1/10/2018 	
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>Based on the sampled pay slips of workers as above, there is no trace of breach of payment as stipulated in their contract. Interview with workers shows no issue on wages received. During site visit, interview with both local and foreign workers revealed no discrimination on overtime hours as well on wages received for overtime work done. This was also cross checked in their respective pay slips against punch card monthly/daily and daily payroll records sample for May 2019 (low cropping) and no discrepancies found.</p>	Complied
4.4.5.8	<p>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.</p> <p>- Major compliance -</p>	<p>Based on the agreement, Working hours is 8 hours. From Monday to Saturday. Total monthly working hours is 208 hours. The overtime maximum is 104 hours according to the Sarawak Labour Ordinance.</p> <p>The overtime rate after 8 hours daily rated is: (general workers/upkeep/maintenance)</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Mon - Sat – daily rated / 8 hours x 1.5 - Sunday - daily rated / 8 hours x 2.0 - Public holiday – daily rated / 8 hours x 3.0 <p>The overtime rate after 8 hours piece rated is: (harvesters)</p> <ul style="list-style-type: none"> - Mon - Sat – flat rate - Sunday – flat rate x 2.0 - Public holiday – flat rate x 3.0 	
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made. Deductions were based on following permits:</p> <p><i>i) Permit potongan daripada gaji pekerja di bawah seksyen 114 ordinan buruh (Sarawak bab 76) no. siri: JTKSWK/PG/039/17/(BTU); dated 6/12/2017 for canteen deduction</i></p> <p><i>ii) Permit potongan daripada gaji pekerja di bawah seksyen 114 ordinan buruh (Sarawak bab 76) no. siri: JTKSWK/PG/023/18/(BTU); dated 22/3/18 for loan deduction</i></p>	Complied
4.4.5.10	<p>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</p>	<p>The social benefits for:</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	development, medical care and health provisions. - Minor compliance -	Local - incentives for good work performance by giving hampers for general workers during annual dinner and for staff is based on KPI eligible for incentive, bonus payment, professional development for only executive and above, medical care and health provisions are for entire work force including periodical medical surveillance for sprayers. Foreigner – new employees arriving from overseas are given the basic necessities and food and a return air tickets each for a contracted period.	
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	Workers were provided with housing in clean and conducive condition. Progressively old wooden house will be replaced with concrete house as part of continual improvement plan. As minimum, line site inspection has been conducted by site safety officer in 3 monthly basis. Inspection has yet to be conducted as the annual inspection plan. As for Sarawak, Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) is not applicable. Refer to letter from Labour Department, ref. no.: JTKSWK/DA/(S)18 JLD 3 (27) dated 15/5/18.	Complied
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	The management established the Sexual Harassment Policy – 012/2016 to prevent all forms of sexual harassment and violence at workplace.	Complied
4.4.5.13	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	The management established the Freedom of Association & Collective Bargaining Policy - 009 to facilitate the collective bargaining in accordance with applicable laws and regulations. Sighted the latest JCC meeting for Worker-Management Committee	Complied

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	<p>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.</p> <p>- Major compliance -</p>	<p>Organization Chart 2019. No changes on committee members the appointment as to date. Latest JCC meeting dated 27/8/19 was made available for review.</p>	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national 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>- Major compliance -</p>	<p>In-line with the established Child Labour Policy – 005/2016; it was verified during site visit to field and line site, there was no evidence of workers below 18 years old been employed. Workers were also aware of the minimum age policy is being strictly enforced by the management at which the age limit is above 18 years old.</p>	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	<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>- Major compliance -</p>	<p>The estate has established training program base on training need analysis conducted and documented in Executive, Staff and Workers Annual Training Program Schedule FY 2019. Sighted the sampled training records follows:</p> <ul style="list-style-type: none"> i. Water management for oil palm planting on peat training dated 20/8/2019 ii. RTE training dated 16/5/2019 iii. SW handling and storage training dated 22/3/2019 iv. SOP for harvesting and pruning training dated 26/1/2019 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		v. Chemical safety training dated 1/3/2019 vi. Machineries and handling of mini tractor training dated 1/4/2019	
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 -	The estate has conducted training need analysis base on type of job designation and training requirement. The training requirement divided into Best Management Practice, Environment, Social and Legal and Safety and Health. 50 training was identified and programmed throughout the year.	Complied
4.4.6.3	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. - Minor compliance -	The estate continuously provided the training to the workers as per plan. The training plan was reviewed on annually basis base on the training need analysis conducted.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	Jobenar Raya Sdn Bhd has established Environmental Policy signed by the Managing Director dated on 21/11/2016. In the policy stated the company commitment to conduct all operation and activities in an environmentally responsible manner and to continually improve environmental performance within plantation. The policy was communicated to all the employee through briefing, training and displayed on signboard at designated place at the estate.	Complied

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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"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The estate has conducted the environmental aspects and impacts analysis of all main and support operations and documented in Identification and Significance Determination of Environmental aspects and Setting Objectives and Targets. The assessment was conducted on annually basis. Latest review was conducted on 29/11/2018. Base on the significant impacts identified in the register, the estate has established Environmental Continual Improvement Plan. Sighted the implementation of the management plan as follows:</p> <ul style="list-style-type: none"> i. Environmental monitoring was conducted twice a year. Sighted the Environmental Monitoring Reports submitted to NREB for the 2nd half of 2018 and first half of 2019. Refer report no. NREB/6-1/2G/14. The NREB has acknowledge the report for the 2nd half of 2018 as per letter dated 4/2/2019. Refer letter no. (17) NREB/6-1/2G/14. ii. Peat subsidence monitoring was conducted on quarterly basis. Sighted the monitoring records for first and second quarter 2019. iii. The estate has install 6 water level monitoring pole. Water level monitoring was conducted on daily basis. Sighted the monitoring records in Water Level Daily Records January to July 2019. 	
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>- Major compliance -</p>	<p>Base on the significant impacts identified in the register, the estate has established Environmental Continual Improvement Plan. In the plan stated the impacts, Parameter to be monitored, Monitoring Point and Frequency. Noted the implementation and monitoring as per indicator 4.5.1.2.</p>	Complied
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p>	<p>Program to promote positive impacts was documented in the environmental continual improvement plan such as:</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance									
	- Minor compliance -	i. No domestic waste burning ii. 'Gotong-Royong' at linesite iii. Prohibition of illegal hunting iv. 3R Management										
4.5.1.5	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. - Major compliance -	The estate has established training program for all the employee and documented in annual training program. The training plan , Policies, Environmental Aspects and Impacts, Environmental control procedure and etc.	Complied									
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	The estate has established the Environmental and BMP Committee FY 2019. The committee held meeting on quarterly basis.	Complied									
Criterion 4.5.2: Efficiency of energy use and use of renewable energy												
4.5.2.1	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. - Major compliance -	The estate monitored the consumption of diesel usage on monthly basis. Sighted the diesel consumption records FY 2019 as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Month</th> <th>Diesel Consumption</th> <th>Baseline</th> </tr> </thead> <tbody> <tr> <td>Jan 19</td> <td>10.78</td> <td>0.00</td> </tr> <tr> <td>Feb 19</td> <td>9.21</td> <td>11.51</td> </tr> </tbody> </table>	Month	Diesel Consumption	Baseline	Jan 19	10.78	0.00	Feb 19	9.21	11.51	Complied
Month	Diesel Consumption	Baseline										
Jan 19	10.78	0.00										
Feb 19	9.21	11.51										

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Criterion / Indicator		Assessment Findings			Compliance
		Mar 19	9.54	10.76	
		Apr 19	8.01	9.20	
		May 19	10.77	8.20	
		Jun 19	7.72	7.21	
		Jul 19	7.11	6.12	
		<p>The estate has established management plan to optimize the usage of diesel and documented in GH Monitoring Plan to Reduce GHG Emission. Sighted the implementation of the plan as follows:</p> <ul style="list-style-type: none"> i. The estate maintain records for diesel consumption for each tractors, machineries, vehicles and genset in Machinery Use Record. Refer doc no. ET07. ii. The estate has established Service and maintenance scheduled for all vehicle and machinery recorded in Machinery Servicing Inspection Schedule. The records was submitted to HQ on weekly basis. Sighted the records of schedule and actual service conducted for excavator and farm tractor 2019. The document was available at the workshop for review. 			
4.5.2.2	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.	The estimate of diesel usage was documented in the annual budget. The estimated usage was used as baseline to monitor the usage of diesel in the estate operation per MT FFB production.			Complied

Criterion / Indicator		Assessment Findings	Compliance
	This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -		
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No renewable energy used in the estate	
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	The estate has identified the waste products and its source and documented in the Environmental Continual Improvements Plan. Waste identified as follows: i. Domestic Waste ii. Scheduled Waste – SW 102, Sw 305, SW 306, SW 307, Empty pesticide container.	Complied
4.5.3.2	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 - Major compliance -	Waste management plan has been established base on waste identified and documented in Environmental Continual Improvements Plan under section Domestic Waste Management and Schedule Waste Management. Sighted the implementation of the management plan as follow: i. Domestic waste collection was conducted twice a week and disposed at municipal landfill. Sighted the records of collection and disposal records as follows: i. Domestic waste was collected and disposed at the Majlis Daerah Luar Bandar Sibu municipal landfill. Sighted the sampled collection and	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>disposal records in Waste Collection Movement by Own Lorry and weighbridge receipt.</p> <p>ii. The estate collected the recycle waste and stored at designated store before disposed through recycle waste collector. Sighted the recycle waste records for the month of January to July 2019.</p>	
<p>4.5.3.3 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.</p> <p>- Major compliance -</p>	<p>Jobenar Raya Sdn Bhd has established SOP for handling Scheduled Waste and documented in Scheduled Wastes Handling and Storage Guidance. Refer doc. no. PGHSB/SOPP/014/2016, ver 1, dated 21/11/2016.</p> <p>The estate has appointed person responsible to manage the Scheduled Waste generated. Sighted the appointment letter and jobs description as follows:</p> <p>i. Letter ref. no JR/AL/SW/18/05/001 dated 18/5/2018</p> <p>ii. Letter ref. no JR/AL/SW/18/05/002 dated 18/5/2018</p> <p>Scheduled waste was stored at designated storage area and disposed by licensed contractors. Sighted the inventory in E-SWISS for the month of March to July 2019 and sampled disposal records as follows:</p> <p>i. 17/5/2019, SW 305, CN. No. 10197</p>	<p>Complied</p>
<p>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</p>	<p>Empty pesticide containers was punctured and disposed through licensed contractors as stated in Scheduled Wastes Handling and Storage Guidance, PGHSB/SOPP/014/2016, ver 1, dated 21/11/2016.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
	national programme on recycling of used HDPE pesticide containers. - Major compliance -	At the point of visit, the empty chemical containers triple rinsed, punctured and stored in designated storage area under locked and key.	
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	Domestic waste was collected and disposed at the Majlis Daerah Luar Bandar Sibu municipal landfill. Sighted the sampled collection and disposal records in Waste Collection Movement by Own Lorry and weighbridge receipt as follows: i. 0370 dated 13/8/2019 ii. 0378 dated 9/8/2019 iii. 0376 dated 26/7/2019 iv. 0372 dated 19/7/2019	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	The estate has conducted assessment to identify all polluting activities and documented in the GHG Monitoring Plan to Reduce GHG Emission. Source of activities contribute to GHG emission identified as follows: i. Machinery/Vehicle ii. Generators iii. Fertilizers iil. Chemicals	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The estate has established GHG Monitoring Plan to Reduce GHG Emission based on the assessment conducted. Sighted the implementation of the management plan as follows: i. The estate maintain records for diesel consumption for each tractors, machineries, vehicles and genset in Machinery Use Record. Refer doc no. ET07.	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities. c. 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.). d. 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.	Jobenar Raya Sdn Bhd has established guidelines on Water Use Monitoring. Refer doc. no. PGHSB/SOPP/004/2015, dated 21/12/2015. The guidelines established to monitor water use in a plantation in order to ensure water availability for communities. The estate has established water management plan FY 2019 documented in Water Management Plan. The management plan focusing on maintain the water level at the peat area. Sighted the implementation the management plan as follows: i. The estate has install water level indicator in the estate. The estate monitor the water level on daily basis to ensure the water level at optimum level of 50 – 70 cm from the surface. The estate has established riparian buffer zone at Sg. Sedupai and Sg. Keladan. Noted during site visit, no chemical application was done at the buffer zone. The estate has established and clearly demarcated the riparian buffer zone. Sighted during site visit at block 16B at the Steel Beam Bridge,	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<p>signboard on prohibition of chemical application activities, illegal hunting and fishing at the buffer zone area.</p> <p>Environmental monitoring was conducted twice a year. Sighted the Environmental Monitoring Reports submitted to NREB for the first and second quarter. Refer report no. NREB/6-1/2G/14.</p>	
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	<p>Sg. Keladan flow through the estate. No construction of bunds, weirs and dams sighted during site visit. Construction of bunds and weirs were done at field drains for water management.</p>	Complied
4.5.5.3	<p>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).</p> <p>- Minor compliance -</p>	<p>Rain water – and all houses are supplied with at least 2 units of 400 gallons (1,800 lt) water tank. Rain water Management Programme (Water Supply) has been established with an objective to ensure efficient consumption of water.</p>	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	<p>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:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat</p>	<p>The Jobenar Raya Sdn Bhd has conducted High Conservation Value Assessment by Wild Asia as per final reports 21/12/2018. In the reports, potential HCV 1, HCV 4 and HCV 5 was identified in the estate.</p> <p>In the assessment, potential of HCV 1 is identified. The potential RTE Species identified and IUCN, RTE and Cites 9 status was listed in table 16: Jobenar Raya Tatau HCV 1 Species.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>		
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>The potential RTE Species identified and IUCN, RTE and Cites 9 status was listed in table 16: Jobenar Raya Tatau HCV 1 Species.</p> <p>The estate has established management plan for RTE species and documented in Environmental Management Plan under Flora and Fauna or RTE section and HCV Goals. Sighted the implementation of the management plan as follows:</p> <p>i. Prohibition on illegal hunting: the estate has erected signboard on prohibition of illegal hunting the estate entrance, HCV area and linesite.</p> <p>ii. RTE monitoring was recorded in the RTE Log Book. In the log book recorded the date, name or reporter, name of RTE and location the RTE sighted.</p>	Complied
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The estate has established management plan to comply with Indicator 1 as stated in indicator 4.5.6.3.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>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.</p>	<p>The Jobenar Raya Tatau Estate has established Zero Burning Policy signed by the Managing Director dated 21/7/2015. The policy was</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	communicated to all the employee through training, briefing and signage at several notice board in the estate.	
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. - Major compliance -	No controlled burning application is allowed as per Zero Burning Policy	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. - Major compliance -	No controlled burning application is allowed as per Zero Burning Policy	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	No controlled burning application is allowed as per Zero Burning Policy All felled palm will be shredded or chip and piled between planting rows.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Addressed in "Policy and BMP". Established based on operation such as: i. Oil Palm Harvesting [001, 27/7/13]	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		ii. Oil Palm Frond Pruning [001, 20/9/13] iii. Control of Tirathaba Bunch Moth [PGHSB/BMPP/002/2014, 2/5/14] iv. Water Management in Peat Soil [PGHSB/BMPP/004/2014, 1/7/14] v. Weeding [PGHSB/BMPP/005/2014, 1/7/14] vi. Termite Management in Peat Soil [PGHSB/BMPP/001/2014, 1/7/14] vii. IPM in Oil Palm Agro-ecological System [PGHSB/BMPP/007/2014, 14/7/14] viii. Fertilizer Management [PGHSB/BMPP/006/2014, 14/7/14] ix. Oil Palm Nursery Management [PGHSB/BMPP/003/2014, 1/7/14] x. Rat Management in Oil Palm Plantation [PGHSB/BMPP/08/2015, 11/8/2015] To check on the consistent implementation of the SOP, internal agronomy team will visit estate minimum twice per year to monitor the P&D programme and overall field condition.	
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 contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	There is no slope area at the estate.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Identification of field reference was mainly made of plastic plat with white font on black background. The plat has the information about Block number, road number, year planted, SPH, Ha and planting material.	Complied
Criterion 4.6.2: Economic and financial viability plan			
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. - Major compliance -	Business plan was demonstrated through availability of annual budget with 2 years projection. Among the main items included in the annual budget were harvesting and evacuation, field upkeep and employees welfare.	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. - Major compliance -	No replanting activity is planned within 5 years since this estate has planting the oil palm in year 2001 first planting.	Complied
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast	The annual budget of the estate contains the information about crop projection, production cost and estimation of material price. The managers will have regular meeting with the top management to discuss about their estate’s performance and expenses in order to ensure efficiency of cash flow.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	e) e) Financial indicators : cost benefit, discounted cash flow, return on investment - Major compliance -		
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	Management has the working sheet for all the field operation for realization. Sampled the sanitation schedule for 2019 in monthly basis by manager for implementation of profit and loss monitoring.	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Pricing mechanisms for the products and other services were effectively documented and implemented as per following example: i) Ref. no.: JRSB/NC19010004 between Jobenar Raya Sdn Bhd and contractor, Tiong Chiong Hee Pricing mechanism is based on rate per RM/ton at specific work target/field.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Refer to FFB transporter contract; Ref. no.: JRSB/NC19010004 between Jobenar Raya Sdn Bhd and contractor, Tiong Chiong Hee Sample of payment advice checked; ref. no. JRSB/PE19060011 dated 30/6/19. Date of payment received on 19/7/19. Refer to payment ref. CMS19197022944.	Complied

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	MSPO training for contractor has been conducted which attended by 1 contractor (Tiong Chiong Hee) during contract signing in January 2019	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Refer to FFB transporter contract; Ref. no.: JRSB/NC19010004 between Jobenar Raya Sdn Bhd and contractor, Tiong Chiong Hee The above contract is valid for 12 month until 1/1/19. Signature of the manager for estate and contractor evident in the agreement in January 2019.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	The company has no objection to allow BSI auditors to verify the assessment through physical inspection if required.	Complied
4.6.4.4	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. - Major compliance -	The contractor works has been recorded and approved in work verification @ certificate for payment before payment made by HQ in Sibiu.	Complied
4.7 Principle 7: Development of new planting			

Criterion / Indicator	Assessment Findings	Compliance
Criterion 4.7.1: High biodiversity value		
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	No development of new planting in the estate. NA
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -	No development of new planting in the estate. NA
Criterion 4.7.2: Peat Land		
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	No development of new planting in the estate. NA
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)		



Criterion / Indicator		Assessment Findings	Compliance
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	No development of new planting in the estate.	NA
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	No development of new planting in the estate.	NA
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	No development of new planting in the estate.	NA
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -	No development of new planting in the estate.	NA
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.	No development of new planting in the estate.	NA

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	No development of new planting in the estate.	NA
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	No development of new planting in the estate.	NA
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. - Major compliance -	No development of new planting in the estate.	NA
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	No development of new planting in the estate.	NA
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary	No development of new planting in the estate.	NA

Criterion / Indicator	Assessment Findings	Compliance
<p>land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p> <p>- Major compliance -</p>		
<p>4.7.6.2 Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.</p> <p>- Minor compliance -</p>	No development of new planting in the estate.	NA
<p>4.7.6.3 Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.</p> <p>- Major compliance -</p>	No development of new planting in the estate.	NA
<p>4.7.6.4 The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.</p> <p>- Major compliance -</p>	No development of new planting in the estate.	NA
<p>4.7.6.5 Identification and assessment of legal and recognised customary rights shall be documented.</p> <p>- Major compliance -</p>	No development of new planting in the estate.	NA

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	No development of new planting in the estate.	NA
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	No development of new planting in the estate.	NA
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	No development of new planting in the estate.	NA

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment Jobenar Raya Tatau Estate Certification Unit complies with the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder. It is recommended that the certification of Jobenar Raya Tatau Estate Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Raymond Nyian	Name: Muhammad Fadzli Masran
Company name: Palmgroup Holdings Sdn. Bhd.	Company name: BSI Services Malaysia Sdn. Bhd.
Title: Manager, Sustainability	Title: Client Manager
Signature: 	Signature: 
Date: 24/12/2019	Date: 17/12/2019

Appendix A: Assessment Plan

Date	Time	Subjects	MFM	MH
Sunday 25/08/2019	PM	Audit Team Travelling	√	√
Tuesday 29/08/2019	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan 	√	√
Jobenar Raya Tatau Estate	09.00 – 12.30	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.	√	√
	09.30 – 12.00	Stakeholder interviews (combined mill and estate’s Stakeholders)	√	-
	12.30 – 13.30	Lunch	√	√
	13.30 – 16.30	Continue with document review Document review P1 – P6 (MSP0 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 and P6 : Best practices, P7: Development of New Planting (if any)	√	√
	16.30 – 17.00	Preparation of audit report	√	√
	17.00 – 17.30	Closing Meeting	√	√

Appendix B: List of Stakeholders Contacted

List of Stakeholders Contacted	
<p>Internal Stakeholders</p> <p>Field workers Mill workers NUPW representative Gender committee Local & foreign general workers</p>	<p>Union/Contractors/Local Communities</p> <p>Neighbouring oil palm plantation (Amertha Plantation) Cattle owners (Bella Farm) Vendors & contractors</p>
<p>Government Departments</p> <p>Badan Kawal Selia Air Melaka SK Asahan SJK(T) Ladang Bukit Asahan</p>	<p>NGO</p> <p>Nil</p>

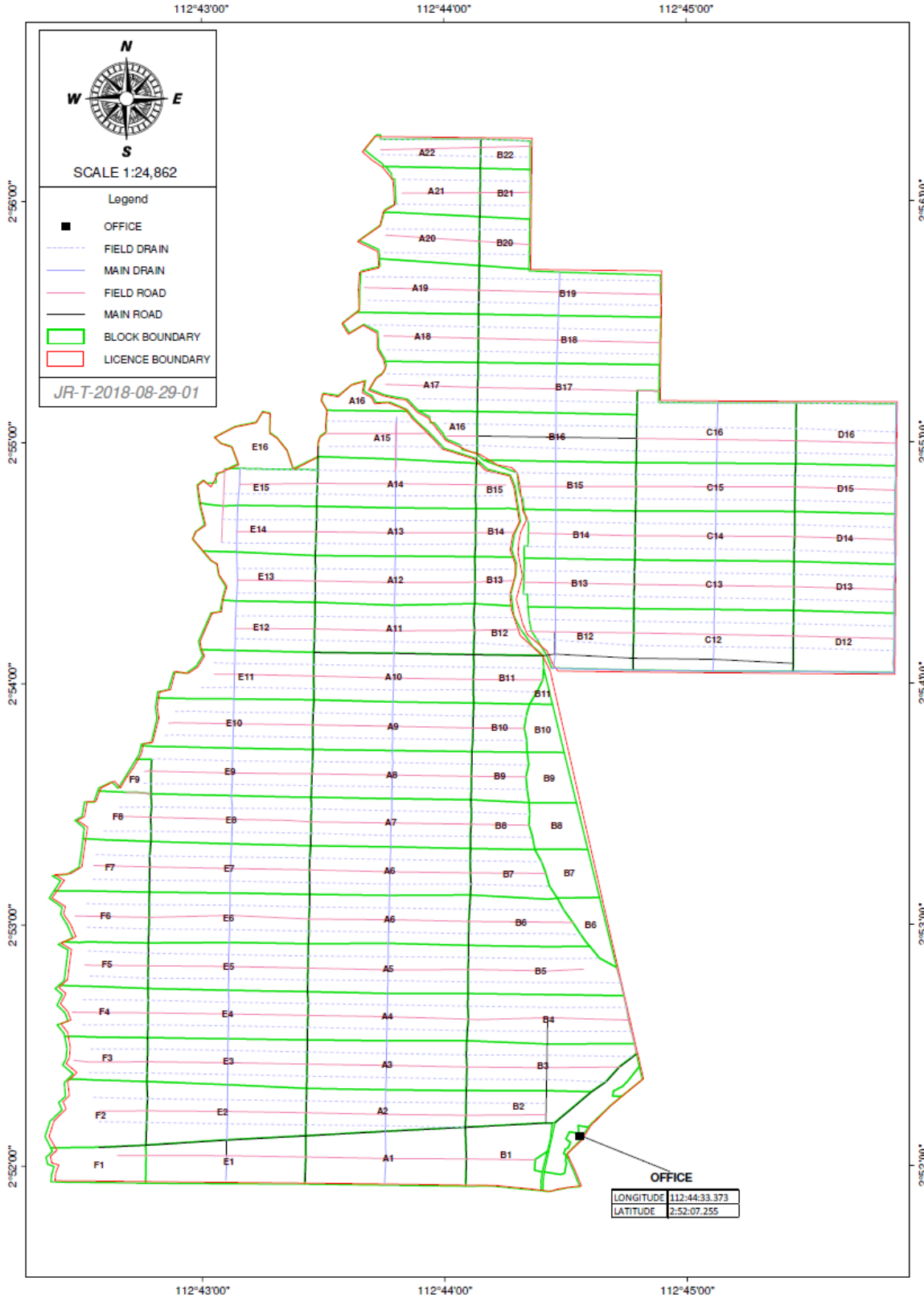
Appendix C: Smallholder Member Details

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	NA			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
TOTAL				

Appendix F: Location and Field Map



JOBENAR RAYA SDN BHD - TATAU



Appendix G: 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