

**MALAYSIAN SUSTAINABLE PALM OIL
ANNUAL SURVEILLANCE ASSESSMENT (ASA 1)
Public Summary Report**

BOUSTEAD PLANTATIONS BERHAD
Client company Address: 19 th Floor, Menara Boustead 69, Jalan Raja Chulan 50200 Kuala Lumpur, Malaysia
Certification Unit: Lepan Kabu Estate Location of Certification Unit: 18000 Kuala Krai, Kelantan, Malaysia

Report prepared by:
Muhamad Naquiddin Mazeli (Lead Auditor)

Report Number: 3293235

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

TABLE OF CONTENTS	Page No
Section 1: Executive Summary	3
1.1 Organizational Information and Contact Person	3
1.2 Certification Information.....	3
1.3 Location of Certification Unit.....	3
1.4 Certified Area	4
1.5 Plantings & Cycle	4
1.6 Certified Tonnage of FFB	4
1.7 Uncertified Tonnage of FFB.....	4
1.8 Certified Tonnage	5
1.9 Actual Sold Volume (CPO).....	5
1.10 Actual Sold Volume (PK).....	5
Section 2: Assessment Process	6
2.1 BSI Assessment Team	7
2.2 Assessment Plan	8
Section 3: Assessment Findings	10
3.1 Details of audit results	10
3.2 Details of Nonconformities and Opportunity for improvement.....	10
3.3 Status of Nonconformities Previously Identified and OFI	11
3.4 Summary of the Nonconformities and Status.....	15
3.5 Issues Raised by Stakeholders	15
Section 4: Assessment Conclusion and Recommendation	16
Appendix A: Summary of the findings by Principles and Criteria.....	17
Appendix B: List of Stakeholders Contacted	48
Appendix C: Smallholder Member Details.....	49
Appendix D: Location and Field Map of Lepad Kabu Estate	49
Appendix E: List of Abbreviations.....	50

Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Boustead Plantations Berhad		
Mill/Estate	MPOB License No.	Expiry Date	
	616032002000	30/11/2021	
Address	Head office : 19 th Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia Certification Unit : Lepad Kabu Estate, 18000 Kuala Krai, Kelantan, Malaysia		
Certification Unit	Lepad Kabu Estate		
Contact Person Name	Mohd. Yatim Bin Saini / Muhd. Hafiz Mamat		
Website	www.bousteadplantations.com	E-mail	lepankabu@gmail.com hafiz.bea@boustead.com.my
Telephone	03-2145 2121	Facsimile	03-2144 7917

1.2 Certification Information			
Certificate Number	MSPO 715206		
Issue Date	28/02/2020	Expiry date	27/02/2025
Scope of Certification	Production of Sustainable Oil Palm Fruits		
Standard	MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Stage 1 Date	08-09/07/2019		
Stage 2 / Initial Assessment Visit Date (IAV)	21-22/10/2019		
Continuous Assessment Visit Date (CAV) 1	13-14/01/2021		
Continuous Assessment Visit Date (CAV) 2	N/A		
Continuous Assessment Visit Date (CAV) 3	N/A		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
Nil			

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

MSP0 Public Summary Report
Revision 1 (Feb 2020)

Lepan Kabu Estate	Ladang Lepan Kabu, 18000 Kuala Krai, Kelantan, Malaysia	102.22112	5.48278
-------------------	---	-----------	---------

1.4 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Lepan Kabu Estate	1,975.80	-	39.60	2,015.40	98.04
TOTAL	1,975.80	-	39.60	2,015.40	

1.5 Plantings & Cycle

Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Lepan Kabu Estate	344.00	515.20	417.70	573.80	125.10	1631.8	344.00
Total (ha)	344.00	515.20	417.70	573.80	125.10	1631.8	344.00

1.6 Certified Tonnage of FFB

Estate	Tonnage / year			
	Estimated (Jan 2020 - Dec 2020)	Actual (Oct 2019 - Dec 2020)		Forecast (Jan 2021 - Dec 2021)
		Oct 2019 - Dec 2019	Jan 2020 - Dec 2020	
Lepan Kabu	17,000.00	2,385.03	15,354.76	21,630.00
Total	17,000.00	17,739.79		21,630.00

1.7 Uncertified Tonnage of FFB

Estate	Tonnage / year			
	Estimated (Jan 2020 - Dec 2020)	Actual (Oct 2019 - Dec 2020)		Forecast (Jan 2021 - Dec 2021)
		Nil		
Total				

MSPO Public Summary Report
Revision 1 (Feb 2020)

1.8 Certified Tonnage			
Nil MT/hr SCC Model: Nil	Estimated (Jan 2020 - Dec 2020)	Actual (Oct 2019 - Dec 2020)	Forecast (Jan 2021 - Dec 2021)
	FFB	FFB	FFB
	17,000.00	17,739.79	21,630.00
	CPO (OER:0%)	CPO (OER:0%)	CPO (OER:0%)
	0	0	0
	PK (KER:0 %)	PK (KER:0 %)	PK (KER:0 %)
0	0	0	

1.9 Actual Sold Volume (CPO)					
CPO (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
-	-	-	-	-	-

1.10 Actual Sold Volume (PK)					
PK (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
-	-	-	-	-	-

Section 2: Assessment Process

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

Assessment Methodology, Programme, Site Visits

This remote audit assessment was conducted from 13-14 Jan 2021 due to COVID-19 issue and to comply with MCO requirement. The audit programme is included as 2.2 Assessment plan. The approach to the audit was to treat the Lapan Kabu 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 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

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

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

No visits were made to each of the local communities to meet with the village head and residents due to COVID-19 and MCO however interviewed through calling been made by auditor. A list of Stakeholders contacted is included as Appendix B.

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

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

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

MSPO Public Summary Report
Revision 1 (Feb 2020)

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

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)
Lepan Kabu Estate	√	√	√	√	√

Tentative Date of Next Visit: January 15, 2022 - January 16, 2022

Total No. of Mandays: 4

2.1 BSI Assessment Team

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Muhamad Naquiuddin Mazeli	Team Leader	He graduated with Bachelor of Science Horticulture at University Putra Malaysia. He started his career in 2009 as Researcher at Sime Darby Research Seed Centre and manage for Quality control for seed production for paddy, chilli, and corn with collaboration with Malaysian Agricultural Research and Development Institute (MARDI) for 4 years. During the period, he was also involved with Nestle project on Red Rice production. He later joins the Sime Darby Plantation Berhad Sustainability Team in 2013 as Sustainability Executive. Joining the sustainability team, he managed, implemented, and monitored the RSPO, ISCC, MSPO and ISO 9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also supports in providing training and internal audits related to RSPO, MSPO and other certifications where applicable to the operations within Sime Darby Plantation. He is a trained Safety Officer and he managed the Occupation Safety and Health of Northern Region Sime Darby Plantation Berhad operations. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health and workers consultation and also environmental aspect and impact.

2.2 Assessment Plan

Date	Time	Subjects	(MNM)	ICT Planned
Tuesday, 12/1/2021	1500 - 1530	Trial Meeting for Communication test. Communication on document preparation - Audit plan - Any additional Information	√	Teleconference, Microsoft Team Meeting, Email
Wednesday, 13/1/2021 Lepan Kabu Estate	0900 - 0915	Opening meeting - Opening presentation by audit team leader - Confirmation of assessment scope and finalize audit plan	√	Teleconference, Microsoft Team Meeting, Email
	0915 - 1030	Assessment and documentation review on good agricultural practices, legal requirements, OHS, environment, biodiversity and continual improvement	√	Teleconference, Microsoft Team Meeting, Email
	1030 - 1040	10-minute break	√	
	1040 - 1230	Assessment and documentation review on estate best practice, legal requirements, OHS, environment and continual improvement	√	Teleconference, Microsoft Team Meeting, Email
	1230 - 1330	Lunch & Break	√	Teleconference, Microsoft Team Meeting, Email
	1330 - 1450	Assessment and documentation review on estate best practice, legal requirements, OHS, environment and continual improvement	√	Teleconference, Microsoft Team Meeting, Email
	1450 - 1500	10-minute break	√	
	1500 - 1700	Assessment and documentation review on estate best practice, legal requirements, OHS, environment and continual improvement	√	Teleconference, Microsoft Team Meeting, Email
	1700 - 1730	Interim closing briefing	√	Teleconference, Microsoft Team Meeting, Email
	Thursday, 14/1/2021 Lepan Kabu Estate	0915 - 1030	Assessment and documentation review on social aspects, legal requirements, employees' welfare and stakeholder management	√
1030 - 1040		10-minute break	√	
1040 - 1230		Assessment and documentation review on social aspects, legal requirements, employees' welfare and stakeholder management	√	Teleconference, Microsoft Team Meeting, Email
1230 - 1330		Lunch & Break	√	
1330 - 1450		Assessment and documentation review on social aspects, legal requirements, employees' welfare and stakeholder management	√	Teleconference, Microsoft Team Meeting, Email
1450 - 1500		10-minute break	√	
1500 - 1600		Assessment and documentation review on social aspects, legal requirements, employees' welfare and stakeholder management	√	Teleconference, Microsoft Team Meeting, Email

**MSP0 Public Summary Report
Revision 1 (Feb 2020)**

Date	Time	Subjects	(MNM)	ICT Planned
	1600 - 1630	Assessment team discussion and preparation of closing meeting	√	Teleconference, Microsoft Team Meeting, Email
	1630 - 1700	Closing meeting	√	Teleconference, Microsoft Team Meeting, Email

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 1 Major and 1 Minor nonconformities been raised. The Lengan Kabu 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 Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly.

Major/Minor Nonconformities:		
Ref: 2011009-202101-M1	Area/Process: Lengan Kabu Estate	Clause: Part 3: [4.5.6.3]
	Issue Date: 14/1/2021	Close Date: 4/3/2021
Requirements:	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.	
Statement of Nonconformity:	Sighted HCV action plan was not implemented	
Objective Evidence:	No record of HCV monitoring in Lengan Kabu Estate	
Corrections:	Estate will comply HCV monitoring plan for the year 2020 by referring to the HCV reports recommendations.	
Root cause analysis:	The delay in receiving the final HCV report was caused by the Pandemic COVID-19.	
Corrective Actions:	One person assigned to monitor any action plan expired or not in progress.	
Assessment Conclusion:	As per verification HCV monitoring record on 28/2/2021 and 21/2/2021 in field PM96B and P97B been done by operating unit according to HCV action plan. The management already appoint assistant to monitor HCV implementation as per letter dated 1/1/2021 also conducted training to workers regarding to HCV and bufferzone in Lengan Kabu Estate dated on 28/2/2021.	

Major/Minor Nonconformities:		
Ref: 2011009-202101-N1	Area/Process: Lengan Kabu Estate	Clause: Part 3: [4.5.5.1]
	Issue Date: 14/1/2021	Close Date: Open

MSP0 Public Summary Report
Revision 1 (Feb 2020)

Requirements:	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: b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
Statement of Nonconformity:	Sighted inadequate monitoring for outgoing water from estate.
Objective Evidence:	The water analysis was available only for Sg Pahi dated 10 July 2019 however no monitoring was done for Sg Lebir and Sg Pahi for year 2020
Corrections:	The estate will appoint a consultant who specialized in water sampling analysis to take water sampling analysis from 2 main outlets, e.g. Sg Lebir & Sg. Pahi and the reports generated will be considered as a correction plan.
Root cause analysis:	Unable to find a credible consultant who is specialized in water sampling analysis at Kuala Krai area. Only Kuala Pertang Mill offered the water sampling analysis. However, there was no analysis on the chemical content which could justify the level of pollution that occurred in the water.
Corrective Actions:	The estate will do sampling water for that two rivers as soon as possible.
Assessment Conclusion:	CAP has been accepted and evidence of CAP effectiveness to be verified in the next assessment.

Opportunity For Improvement

Ref: 2011009-202101-I1	Area/Process: Lapan Kabu Estate	Clause: Part 3: 4.5.3.2
Objective Evidence:	To enhance the waste management plan according to implementation as per operation management.	

Noteworthy Positive Comments

1.	Good cooperation with the operating unit.
2.	Good hospitality and arrangement regarding to transportation and facilities.
3.	Good retrieval document time.

3.3 Status of Nonconformities Previously Identified and OFI

Major Nonconformities:

Ref: 1840029-201907-M1	Area/Process: Lapan Kabu Estate	Clause: Part 3: [4.4.4.1]
	Issue Date: 22/10/2019	Close Date: Closed on 30/12/2019
Requirements:	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.	
Statement of Nonconformity:	Occupational safety and health plan related to Chemical Health Risks Assessment (CHRA) was not effectively implemented	
Objective Evidence:	Last CHRA assessment was conducted on 13/9/2014 by Occumed Consultancy & Services Sdn Bhd [JKKP IH 127/171-2(08)] which was not according to the DOSH Manual of Recommended Practice on Assessment of the Health Risks Arising From The Use of Chemical Hazardous To Health At The Workplace; 3rd Edition First Reprint 2018	

	<p>which requires that the reassessment is to be carried out in any of the following condition:</p> <ul style="list-style-type: none"> a) There has been a significant change in the work that could affect the outcome of the assessment; b) New or improved control measures are implemented where the assessor should be engaged to reassess the exposure and control on the affected work units; c) More than five years have elapsed since the last assessment; or d) Directed by the Director General, Deputy Director General or the Director of DOSH.
Corrections:	CHRA assessment for Lepad Kabu Estate has been conducted by Dr. Liwauddin Mohammad from Medi-Ihsan Occupational and Health Sdn. Bhd. on 11/12/2019 12/12/2019.
Root cause analysis:	Reassessment planned prior to external Stage 2 audit was delayed due to cancellation of original Stage 2 audit date by BSI.
Corrective Actions:	To establish due date table to monitor any expiring mandatory report / permit /license.
Assessment Conclusion:	CAP has been accepted and evidence of CAP submitted confirmed that the CAP taken was efficient to address the NC. Hence, Major NC was closed on 30/12/2019.
Verification Statement	All chemical been register as per verified chemical register in estate document and CHRA report already covered all chemical under chemical registered accordingly therefore the NC remains closed.

Major Nonconformities:		
Ref: 1840029-201907-M2	Area/Process: Lepad Kabu Estate	Clause: Part 3: [4.5.6.1]
	Issue Date: 22/10/2019	Close Date: Closed on 30/12/2019
Requirements:	<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> <ul style="list-style-type: none"> a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. 	
Statement of Nonconformity:	Information of high biodiversity value habitats and conservation status was not available.	
Objective Evidence:	Report High Conservation Value assessment conducted on 30/6/2019 - 3/7/2019 by MEC was not completed and issued to Lepad Kabu Estate yet.	
Corrections:	Estate already receive HCV report from MEC by email on 23/12/2019.	
Root cause analysis:	The estate not follow-up with HCV assessor to get the final report.	
Corrective Actions:	The sustainability department already follow up the report from assessor.	
Assessment Conclusion:	CAP has been accepted and evidence of CAP submitted confirmed that the CAP taken was efficient to address the NC. Hence, Major NC was closed on 30/12/2019.	
Verification Statement	The High Conservation Value assessment report was available dated December 2019 by Malaysian Environmental Consultant Sdn Bhd. This HCV report cover the	

MSP0 Public Summary Report
Revision 1 (Feb 2020)

	identification of high biodiversity value habitat in Lepan Kabu Estate. From the report, there are HCV 4 in Lepan Kabu Estate with total 25.02 Ha. This HCV 4 regarding to buffer zone at Sg Lebir, Sg Pahi and buffer to riparian forest. The report available in estate for review therefore the NC remains closed.
--	---

Major Nonconformities:		
Ref: 1840029-201907-M3	Area/Process: Lepan Kabu Estate	Clause: Part 3: [4.5.4.1]
	Issue Date: 22/10/2019	Close Date: Closed on 30/12/2019
Requirements:	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.	
Statement of Nonconformity:	Assessment of polluting activities conducted for replanting operation was not adequate.	
Objective Evidence:	Sighted in replanting field PR19A & 19B (PM 93A & 93B), where replanting works in progress found a potential polluting activities that involved the use of diesel was not fully assessed and controlled by the contractor.	
Corrections:	Estate already conduct field assessment of polluting activities and to provide replanting contractor with spill tray/pollution control equipment and listed in the environmental aspect and impact control plan.	
Root cause analysis:	No briefing/training for contractor on polluting activities assessment and control prior to replanting work.	
Corrective Actions:	To conduct briefing/training for any contractor on polluting activities assessment and control prior to commencement of work.	
Assessment Conclusion:	CAP has been accepted and evidence of CAP submitted confirmed that the CAP taken was efficient to address the NC. Hence, Major NC was closed on 30/12/2019.	
Verification Statement	Based on the assessment done by the estate of all polluting activities in estate as of the Environment Aspect and Impact assessment, identified sources were fertilizer, diesel and pesticide chemicals as the main GHG pollutants, waste generate by operation and in estate already updated and revised on July 2020 therefore the NC remains closed.	

Major Nonconformities:		
Ref: 1840029-201907-M4	Area/Process: Lepan Kabu Estate	Clause: Part 3: [4.4.4.2]
	Issue Date: 22/10/2019	Close Date: Closed on 30/12/2019
Requirements:	The occupational safety and health plan shall cover the following: 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.	
Statement of Nonconformity:	No trained employees in First Aid present and First Aid Kit equipped with approved contents was not consistently available at each worksite.	
Objective Evidence:	Visit to replanting field PR19A & 19B (PM 93A & 93B), where the person in-charge of replanting contractors work was not trained in First Aid and not equipped with First Aid Kit.	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Corrections:	The estate already conducting a First Aid Training to all mandore and increase the number of First Aid Kit.
Root cause analysis:	Limited availability of estate’s own trained first aider and first aid kit set
Corrective Actions:	To train additional own estate’s personnel as first aider and to instruct contractor to train their personnel as first aider and provide first aid kit set at work site.
Assessment Conclusion:	CAP has been accepted and evidence of CAP submitted confirmed that the CAP taken was efficient to address the NC. Hence, Major NC was closed on 30/12/2019
Verification Statement	The assigned first aiders were present at the site visited. They showed understanding on the contents and usage of the items in the First Aid Kits. First aid kits were available at the sampled locations mentioned in the First Aid Kit Location Map. Sampled First aid Kit boxes showed regular maintenance and records of the usage. The training on First aid conducted on 13 Sept 2020 therefore the NC remains closed.

Major Nonconformities:		
Ref: 1840029-201907-N1	Area/Process: Lapan Kabu Estate	Clause: Part 3: [4.4.1.1]
	Issue Date: 22/10/2019	Close Date: Closed on 14/1/2021
Requirements:	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	
Statement of Nonconformity:	Social impact was not identified and plans to mitigate were not available	
Objective Evidence:	SIA report conducted on 30/6/2019 - 3/7/2019 by MEC was not completed and issued to Lapan Kabu Estate yet.	
Corrections:	Estate already receive SIA report from MEC by email on 06/11/2019.	
Root cause analysis:	The estate not follow-up with SIA assessor to get the final report.	
Corrective Actions:	The sustainability department already follow up the report from assessor.	
Assessment Conclusion:	CAP has been accepted and evidence of CAP effectiveness to be verified in the next assessment.	
Verification Statement	Social impacts plans were based on the documented Social Impact Assessment Lapan Kabu Estate, August 2019; Size of Assessment: 2057.84 ha (Main Division); Date of Assessment: 29/6 – 4/7/2019; Date of Report: August 2019 by Malaysia Environmental Consultant (MEC) Sdn Bhd. The plan established as Management Plan on Social Impact Assessment for the Year 2019/20; Reviewed & Updated on Jan 2021 therefore the Minor NC was satisfactory close on 14 Jan 2021.	



3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1840029-201907-M1	Major	22/10/2019	Closed on 30/12/2019
1840029-201907-M2	Major	22/10/2019	Closed on 30/12/2019
1840029-201907-M3	Major	22/10/2019	Closed on 30/12/2019
1840029-201907-M4	Major	22/10/2019	Closed on 30/12/2019
1840029-201907-N1	Minor	22/10/2019	Closed on 14/01/2021
2011009-202101-M1	Major	14/01/2021	Closed on 4/3/2021
2011009-202101-N1	Minor	14/01/2021	Open

3.5 Issues Raised by Stakeholders

No Stakeholder interview been conducted due to limited source and connectivity.

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment Lapan Kabu Estate Certification Unit complies with the MS 2530-3:2013 . It is recommended that the certification of Lapan Kabu Estate Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: MUHD HAFIZ BIN MAMAT	Name: Muhamad Naquiuddin Mazeli
Company name: SONSTEAD PLANTATION	Company name: BSI Services (M) Sdn Bhd
Title: SUSTAINABILITY OFFICER	Title: Lead Auditor
Signature: 	Signature: 
Date: 24/3/2021	Date: 25/3/2021

Appendix A: Summary of the findings by Principles and Criteria

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

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 -	The MSPO Policy was established where the policy was signed by Chief Executive Officer of Boustead Plantations Berhad on 2/12/2019. This Policy have been briefing to all workers during awareness training and induction training for workers, for stakeholder they was brief during external stakeholder meeting. Record was available in Lepad Kabu Estate for reviewed.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy was emphasize on the engagement and commitment to produce sustainable palm oil with the objective of improving the estate operation.	Complied
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 -	Internal Audit was conducted once a year by Sustainability section, the internal audit was conducted on 17-19/11/2020 to cover the entire criterion stated in the standard. Internal audit was led by Mr Hafizi Boniran and assist by 1 auditors as team members. During the internal audit, there was 2 Major NCR issued. All the findings were in progress of closure.	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	Internal audit procedure dated July 2015 was established by the management to include audit frequency, audit schedule, audit team, performing audit, audit responsibility and etc. Internal audit shall be carried out once a year.	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	All records related to Internal Audit was maintained and available at Lepad Kabu Estate visited for review.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	The management review was conducted accordingly. The 2 nd Management Review was conducted on 19/11/2020 which was chaired by Manager. All the committee members were involved during this Management Review. All the agenda were found adequate.	Complied
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 -	The Continuous Improvement Plan for 2020 at Lepad Kabu Estate sighted as follow: 1. To establish programme to give awareness regarding to environment 2. To give incentive to workers enhance the moral in working. 3. To planting beneficial plant to increase biological control in estate 4. To proper selection of herbicide use low active ingredients for minimize use herbicide	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
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 -	Currently, the management using mechanization implement in operation. New implementation was using Zenoah blower as circle racking in operation. Record all available in estate for reviewed.	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 -	The action plan for Year 2021 was available in Lepad Kabu Estate including Zenoah implementation in the training need to be conducted. This record available in Lepad Kabu Estate.	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 forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Lepad Kabu Estate has maintained records of request and response, land titles, OSH plans and etc relating to environmental and social issues, plans for pollution prevention, complaints and grievances records that make available upon request.	Complied
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 -	Lepad Kabu Estate holds copies of each of the management documents that are required to be publicly available. Copies of the document such as documents related to environmental and social issues, plans for pollution prevention, records of complaints and grievances were available upon request. All the policies such as Pesticide Use Policy, Human Rights Policy, Foreign Workers Policy were publicly available in the company's website:	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		www.bousteadplantations.com.my. Others sustainability practices were also available in the website.	
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 -	Lepan Kabu Estate has developed a Communication Procedure. The procedure is to handle communication for internal and external stakeholders. The methods of communication such as formally write in, through phone call, discussion or meeting and etc. External Communication Form (PKSJ-001) and Communication Record (PKSJ-002) was implemented.	Complied
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 -	As per letter ref. Appointment letter as Communication and Consultation Officer dated 17/7/2020; Lepan Kabu Estate appointed management officer are: Name: Mr. Mohd Noorezwan bin Abd Rahman; Post: Sr. Assistant Lepan Kabu Estate management also delegated employees with dedicated responsibilities related to MSPO implementation as per sighted List of People Responsible for Various Aspect of MSPO.	Complied
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 -	Stakeholder list FY 2020 was available in Lepan Kabu Estate. The list has included contractors and suppliers, government authorities, school’s representatives and etc. Latest external stakeholder meeting conducted on November 2020 involved relevant stakeholders such as government authorities, school’s representatives, contractors, internal workers and etc. were briefed on all the RSPO principles and criteria. Estate internal stakeholder meeting was conducted on 13/2/2020 attended by all staff and employees.	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.2.3 – Traceability			
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 -	The Boustead already establish MSPO Traceability Procedures; Issue 1; Issue date: July 2016; Rev. # 2; Rev. date: March 2018. The procedure was prepared by Sustainability team and approved by management which covering the implementation of all supply chain requirements.	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections on compliance with the established traceability system were conducted through periodical internal audit as specified in Criterion 4.1.2 of this checklist. Furthermore, the estate management and staff responsible to conduct related inspections on compliance of all operations including traceability system. Verification on site confirmed the inspections were regularly implemented accordingly.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The procedure also specified the Chairman shall have the overall responsibility for the implementation of the procedure with assignment of relevant personnel from various departments to assist in the implementation. Sighted the Letter of Appointment; Dated: 10/7/2020 for the appointment of Harvesting staff as the traceability officer.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Records of FFB sales & delivery including FFB Weighbridge Tickets together with FFB Delivery Note (DO Chit) and Daily Record (Daily FFB Despatch Summary Log Book) were maintained based on Standard Operating Procedure. Sighted samples record available as following: i) Despatch Note: A108415; Weighbridge Ticket: 38286; Date: 30/11/2019; Field: PM08F1/46B; Tonnage: 12.94 mt; Transporter: AHN 3069	Complied
4.3 Principle 3: Compliance to legal requirements			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.3.1 – Regulatory requirements			
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 list of permit and license required for the operations of the estate were sighted. The sample of permit and license:</p> <p>Lepan Kabu Estate</p> <ul style="list-style-type: none"> • License for Diesel from KPDNKK referred license KPDNKK.KKR/600/1/2/21 for total 19,000 Liter valid until 20 Jan 2021 • MPOB License 616061011000 for produce and storage valid until 31/12/2021 • MPOB License 616032002000 for transfer and sell valid until 30/11/2021 • JTK license for wages deduction refer letter (17)dIm JTK/D/02/90/600 – 9/6 Jld 2 dated 27/1/2016 	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>LORR was established to cover all legal acts, regulations and other requirement related to Lepan Kabu Estate. The sample of Act and Legal:</p> <ol style="list-style-type: none"> 1. Minimum Wages Order 2020 2. OSHA 1994 3. FMA 1967 4. Uniform Building By Law 1984 5. Pesticide Act 1974 6. Electrical Supply (Amendment) Act 2015 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		7. Fire Services Act 8. Environmental Quality Act 9. Local Government Act	
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	The legal and other requirement already been updated by management and latest update was on 10/1/2021. Latest amendment was Workers Minimum Housing and amenities act 1990 (Amend 2019) and Minimum Wages Order 2020.	Complied
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 -	Tracking system available to identify changes in the relevant regulations through head office, sustainability team, website information and the information are communicated from the Head Office (Sustainability Section). Boustead Plantations Berhad have centralised system for tracking any changes in the law and subscribe into Lawnet. The latest updated was done on 10/1/2020.	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 -	Lepan Kabu Estate hold 11 land title, the estate management ensured that their oil palm cultivation activities did not diminish the land use rights of other users as Boustead own 100% of its land area; Grant # 17008, Lot # 97; Reg. date: 26/1/1986 Grant # 19853, Lot # 302; Reg. date: 12/4/1988 Grant # 22291, Lot # 691; Reg. date: 3/1/1990	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.	The estate management provided documents showing legal ownership, history of land tenure and the actual use of the land of	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Lepan Kabu Estate land titles area 11 as per sample sighted as following: Grant # 17008, Lot # 97; Reg. date: 26/1/1986 Grant # 19853, Lot # 302; Reg. date: 12/4/1988 Grant # 22291, Lot # 691; Reg. date: 3/1/1990	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	A legal boundary was clearly demarcated. Some area the management has constructed the trenches. There's also a government landfill area neighbouring to Lepan Kabu Estate which was demarcated with fencing. No change as per previous report cause no site visit been conducted cause by remote audit.	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 -	There is no land dispute in Lepan Kabu Estate at the time of audit. The estate management provided documents showing legal ownership, history of land tenure and the actual use of the land of Lepan Kabu Estate land titles area. The surrounding are owned by smallholders and other plantation's companies. There was no encroachment of land by the Lepan Kabu Certification Unit. Notwithstanding, in case necessary, compensation process will be according Fair Compensation Procedure (Procedure 6.4.1); Ref. # 1; issued date: 4/2/2015; version 01. The procedure has clearly stated the process of negotiation and compensation if any land disputes with Legal Department. If the negotiation process failed, legal proceedings will be the next action.	Complied
Criterion 4.3.3 – Customary rights			

Criterion / Indicator		Assessment Findings	Compliance
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. - Major compliance -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and painted the palms to differentiate the land boundaries. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - Minor compliance -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and painted the palms to differentiate the land boundaries.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit. Trenches, wooden pegs and boundary stones were maintained to differentiate the land ownership.	Complied
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 -	Social impacts plans were based on the documented Social Impact Assessment Lapan Kabu Estate, August 2019; Size of Assessment: 2057.84 ha (Main Division); Date of Assessment: 29/6 – 4/7/2019; Date of Report: August 2019 by Malaysia Environmental Consultant (MEC) Sdn Bhd. The plan established as Management Plan on Social Impact Assessment for the Year 2019/20; Reviewed & Updated on Jan 2021.	Complied
Criterion 4.4.2: Complaints and grievances			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	The company has developed Whistleblowing Policy dated 2/12/2019 signed by Chief Executive Officer. The company has prepared a formal mechanism to handle all the complaints reported. A Complaint/ Suggestion Flowchart was available where it explained the procedure to lodge complaints. The management already establish Communication and grievances (Doc No. 4.2.2.1) dated 17/7/2020.	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 -	Lepan Kabu Estate has implemented Request and Response form and Complaint/ Suggestion form to record any requests, complaints and grievances by the stakeholders. The estate management has taken action or planned action to rectify the complaints raised by the stakeholders. Record shown latest complaints dated 10/12/2020 as per Borang Cadangan/Aduan Lepan Kabu Estate was resolved on 11/12/2019.	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 -	The complaint form was available. Besides, suggestion box was available in the linesite and office area where the stakeholders are able to lodge complaint or suggestion at any time.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	The training been given to workers regarding to complaint and communication procedure by Assistant on 5/8/2020. For stakeholder also been given briefing regarding the new communication procedure, dated 27/7/2020 during stakeholder meeting. The record all available in estate for reviewed.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	The company has implemented the system since April 2019. Therefore, records of complaint were since April 2019. Records to show that the complaint have been resolved were available in Lepan Kabu Estate. No external complaints received except by internal stakeholders among workers complaining and requested on housing repairs only.	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	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>Contributions to local development were demonstrated as per consultation with local communities. Based on stakeholder consultation, it was noted that local communities are always been prioritized in case of vacancy within estate. Sighted the sample contributions made as following:</p> <p>Contribution for installing culvert for road to Kg Pahi and Kg Bunut Saih dated 24/10/2020.</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>An Occupational Safety and Health Policy is available in the organization. An OSH Manual is available in the estate (OSH/001/2015) dated 7 Dec 2015. An OSH Plan was available in the form and the trainings required for the respective personals for the year 2020.</p> <p>The OSH policy and plan are regularly communicated to the staffs and workers during the morning briefings and OSH Meetings.</p> <p>Interview with staff and workers revealed that all working safe operating procedures, OSH Policy and plans are being consistently implemented among all employees and monitored by the management through daily muster briefing, training, checklists and etc.</p>	Complied
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <p>A safety and health policy, which is communicated and implemented.</p> <p>The risks of all operations shall be assessed and documented.</p>	<p>a) The OSH Policy have been communicated with workers and staff during Policy Training conducted by the estate on the Jan 2020.</p> <p>b) Boustead Plantations have implemented a SOP that states the importance of risk assessment through HIRARC (Date of Issue : 12/12/2020). All work units that have been identified to have potential risks are documented. Mitigation plans and control procedures such as</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <p>all employees involved shall be adequately trained on safe working practices</p> <p>all precautions attached to products shall be properly observed and applied</p> <p>The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>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>Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p>	<p>PPE, Administrative Control and Trainings were documented. For chemical hazard already been assess under chemical hazard risk assessment dated 12/12/2019 by Medi-Ihsan Occupational Safety and health Sdn Bhd refer report; HQ/12/ASS/00/306-2019/0033.</p> <p>c) The estate have implemented a training plan for the year 2021 which is divided into 3 training programs namely Maintenance Training Programme, OSH & RSPO Training Programme and Operations Training. This training programme is used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.</p> <p>d) All workers were provided with appropriate PPE as identified in the HIRARC where the cost are bared by the management. Interviews conducted during the site visit at the Estate showed understanding and awareness from the workers that:</p> <p>The management bares the cost of all PPEs and the workers are entitled to effective and appropriate PPE.</p> <p>The importance of using required PPE at all times during work.</p> <p>Proper storage and disposal methods of PPE</p> <p>e) SOPs for Best Practices of Chemical Handling such spraying SOP on Spraying (BEA/OSH/PKS/1 dated 1/1/2019) and Store (BEA/OSH/PKS/34 dated 1/1/2019) as were available. Chemicals were found stored in the estate's Chemical Store in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974 (Act 149) and their Regulations.</p>	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>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>Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>f) The management already appoint management representative and workers representative as OSH communities, sampling appointment letter dated 28/6/2020. All appointed person are knowledge and access to latest national regulations and collective agreements.</p> <p>g) The estate conducted regular JKKP Meetings with the staffs and workers to address OSH issues within the estate. 4 meetings were conducted in the year 2020 dated 19/2/2020, 5/06/2020, 12/09/2020 and 14/12/2020. Issues raised by the workers and staffs were addressed by the management and documented in the meeting minutes.</p> <p>h) Accident & Emergency Response Plans are available for Emergency Contact Number, Emergency Evacuation, First Aid Locations, Fire Extinguisher Locations, Emergency Response Plans (Fire, Chemical Spillage, Chemical Contamination, Flood and Accident) and displayed at strategic locations around the mill, estate office and stores. The competent personals are appointed and trained to be part of the Emergency Response Team. Appointment letters were sighted in the estate.</p> <p>i) The assigned first aiders were present at the site visited. They showed understanding on the contents and usage of the items in the First Aid Kits. First aid kits were available at the sampled locations mentioned in the First Aid Kit Location Map. Sampled First aid Kit boxes showed regular maintenance and records of the usage. The training on First aid conducted on 13 Sept 2020.</p> <p>j) Records of all accidents were kept in the estate and reviewed at quarterly intervals during the JKKP Meeting. Record of JKKP 8/64827/2020 dated 19/1/2020 was available for reviewed in estate. Lost Time Incident are monitored by the estate and todate records</p>	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		with total 0 were sighted and verified. No accident happen for year 2020 in Lepad Kabu Estate.	
Criterion 4.4.5: Employment conditions			
4.4.5.1	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. - Major compliance -	Boustead Plantations Berhad has developed Human Rights Policy dated 2/12/2019 signed by Chief Executive Officer. The company is committed to ensure every individual are treated with fairness, dignity and respect. The company will respect the rights of every individual. They also recognize their responsibilities to respect human rights and avoid complicity in human rights abuses. Latest communication of the policy was conducted in the meeting conducted on 5/8/2020 between Lepad Kabu Estate management and workers representatives as per Briefing with worker record– Staff, Persatuan, Wakil Pekerja. Furthermore, the policy displayed on the notice board outside the office.	Complied
4.4.5.2	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. - Major compliance -	Boustead Plantations Berhad has established Equal Opportunities Policy dated 2/9/2019 signed by Chief Executive Officer. The company will ensure all the relevant parties will be treated equally and no discrimination based on race, caste, nationalities, religion, gender, age and etc. Interviewed with the workers from different nationalities, gender and age confirmed that no discrimination was occurred in the estate.	Complied
4.4.5.3	Management shall ensure that employees’ pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based	Documentations of pay available in the form of Monthly Pay Slip and conditions as per Work Agreement Contract as per sample sighted as following:	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>on minimum wage. - Major compliance -</p>	<p>Employee ID # 0798J; Date joined: 1/3/2011; Post: General Work; Nationality: Malaysia</p> <p>Employee ID # 0668J; Date joined: 16/2/1991; Post: Line sweeper; Nationality: Malaysia</p> <p>Employee ID # 0653B; Date joined: 1/7/1990; Post: Bunch counter; Nationality: Malaysia</p> <p>Employee ID # 0195C; Date joined: 16/1/2011; Post: Gardener; Nationality: Malaysia</p> <p>Employee ID # 0832A; Date joined: 1/9/2018; Post: General work; Nationality: Malaysia</p> <p>Employee ID # 1521B; Date joined: 17/2/2018; Post: Harvester; Nationality: Bangladesh</p> <p>Employee ID # 0810A; Date joined: 1/7/2018; Post: Loose Fruit Collector; Nationality: Indonesia</p> <p>Employee ID # 1531D; Date joined: 7/3/2018; Post: General work; Nationality: Bangladesh</p> <p>Employee ID # 1500A; Date joined: 17/2/2018; Post: General work; Nationality: Bangladesh</p> <p>Conditions of pay documented in employee work agreements which is based on new Minimum Wages Order 2019 with pricing list for piece-rate workers i.e. Lapan Kabu Estate Harvesting/piece rate and etc. Rate for Checkroll Harvesters for Year 2019/2020.</p>	
<p>4.4.5.4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the</p>	<p>The contractors have signed on the contract agreement with the terms of they must comply with legal requirements on the wages for their workers was clearly stated. Sampled of payslips for contractors'</p>	<p>Complied</p>

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	<p>employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>workers for the month of September 2020 that have achieved Minimum Wage Order 2019 as below:</p> <p>Workers ID #610712-xx-xxx9; Nationality: Malaysia</p> <p>The contractors' workers also signed on the employment contract where basic salary, annual leave and public holiday entitlement, termination of service and etc was clearly outlined in the contract.</p>	
4.4.5.5	<p>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.</p> <p>- Major compliance -</p>	<p>All the recruited workers in Lepad Kabu Estate will be registered in the Labour Registration Record where personal details such as name, nationality, next of kin, education standard, date of employed, job description, wage rate and date of birth were stated in the registration card.</p>	Complied
4.4.5.6	<p>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.</p> <p>- Major compliance -</p>	<p>Employment contracts were acknowledged and kept a copy by the workers verified through interviewed with the workers. The terms and conditions were clearly stated in the contract such as salary, annual leaves and public holiday entitlement, rate of work on rest day, overtime and etc. employment contracts sighted available for samples of own and contractor's employees in indicator 4.4.5.3 and 4.4.5.4 above.</p>	Complied
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>The Lepad Kabu Estate management has maintained Field & General Workers Daily Attendance Record and Oil Palm Harvester Reception Data sheet to record the attendance, tonnage, overtime and etc. for individual workers.</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</p>	<p>The working hour and break time has been clearly stated in the employment contract. Besides, the attendance record was available</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	and able to trace through Field & General Workers Daily Attendance Record and Oil Palm Harvester Reception Data sheet.	
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Documented payslip was distributed to individual workers on the day of payment. Wages and overtime were paid according to the "Field & General Workers Daily Attendance and Oil Palm Harvester Reception Data". Total hours of overtime and daily attendance has recorded in the time sheet. Documentations of pay available in the form of Monthly Pay Slip and conditions as per Work Agreement Contract as per sample sighted available for samples of own and contractor's employees in indicator 4.4.5.3 and 4.4.5.4 above.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	The management provided free medical facilities to all the workers and dependents. The management also give children education transport to workers as support in daily life. The company also subsidized water and electricity to all employees up to certain extend of use.	Complied
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 -	The workers quarters have adequate clean water supply by Air Kelantan Sdn Bhd (AKSB) and electricity was by TNB. The company also subsidized water and electricity to all employees up to certain extend of use. No verification on site done due to COVID-19 issue and offsite audit.	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
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 -	A Sexual Harassment Policy signed by CEO dated 2/12/2019 was in place. Latest communication was conducted in the meeting as per sample records of Minit mesyuarat persatuan wanita Lepad Kabu Estate bil: 01/2020; Date: 25/1/2020. Policy also displayed in strategic location in mill and estate offices.	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 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. - Major compliance -	Boustead Plantations Berhad has developed Freedom of Association Policy dated 2/12/2019 signed by CEO and was publicly available on the notice board. The company is committed and allowed their stakeholders such as employees, clients, business partner and etc to form or join any association.	Complied
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. 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. - Major compliance -	Boustead Plantations Berhad has developed the Employment of Child and Age Limit Policy dated 2/12/2019. The company adopted the Children and Young Persons (Employment) Act 1966 and ILO Convention 138 (1973) Article 1-3. No workers less than 16 years old will be recruited and less than 18 years old for hazardous work.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of	The estate has implemented a Training Programme for the year 2020 and 2021 which includes Maintenance Training Programme, OSH Training Programme and Operations Training. This training	Complied

Criterion / Indicator		Assessment Findings	Compliance															
	<p>training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>programme was used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.</p> <p>Sampled Training records are as follows :</p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> <th>Attendees</th> </tr> </thead> <tbody> <tr> <td>Chemical and handling training</td> <td>15/1/2020</td> <td>7</td> </tr> <tr> <td>Workshop safety training</td> <td>25/1/2020</td> <td>5</td> </tr> <tr> <td>Fire Drill and Fire Fighting</td> <td>3/11/2020</td> <td>36</td> </tr> <tr> <td>Environment and others policy training</td> <td>27/8/2020</td> <td>198</td> </tr> </tbody> </table>	Training	Date	Attendees	Chemical and handling training	15/1/2020	7	Workshop safety training	25/1/2020	5	Fire Drill and Fire Fighting	3/11/2020	36	Environment and others policy training	27/8/2020	198	
Training	Date	Attendees																
Chemical and handling training	15/1/2020	7																
Workshop safety training	25/1/2020	5																
Fire Drill and Fire Fighting	3/11/2020	36																
Environment and others policy training	27/8/2020	198																
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>The training needs was established in the estate for the year 2020 identifying the related trainings required for all categories of work. The details of the training needs include categories of job descriptions, sections, and employees group. Included in this program are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training, field activities, equipment handling, vehicles maintenance etc.</p>	Complied															
4.4.6.3	<p>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.</p> <p>- Minor compliance -</p>	<p>The estate has implemented a Training Programme for the year 2019 and 2020 which includes Maintenance Training Programme, OSH Training Programme and Operations Training. This training programme was used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.</p>	Complied															
<p>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</p>																		

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Based on the <i>Polisi Alam Sekitar & Biodeversiti</i> (Environmental & Biodiversity Policy); dated 11/1/2011; signed by CEO. The management had established the environmental management programme for the year 2020 and 2021. Amongst all, the plan includes the following:</p> <ul style="list-style-type: none"> - To ensure water quality meets the environmental quality act 1974 - To ensure the slope/ terracing area minimum or free facing soil erosion - To ensure zero application of highly toxicity pesticides or herbicides - To minimize soil destruction and reduce frequency of chemical and fertilizer application - To substitute chemical to cultural and biological practices - To conserve soil fertility <p>Estate management regularly communicated the above programs to all employees from time to time during morning briefings and quarterly meetings.</p>	Complied
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 environmental management plan covered in the established action plan of significant environmental aspects identified and impacts evaluated as per documents established.</p> <ul style="list-style-type: none"> - Environmental Aspect and Impact Identification 2020; dated 30/5/2019 - Environmental Impact Evaluation Form dated 30/5/2019 <p>No new activities in estate and same as per previous audit verification. The estate implemented the relevant management plan for their existing planting which covered all field and facilities operational activities including operation of field upkeeps, machinery repair workshop, spraying and harvesting.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	The developed environmental improvement plan to mitigate the negative impacts and to promote the positive ones were effectively implemented and monitored.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Few environmental plan have been established including waste management action plan, continuous improvement environmental plan and etc. The following was sighted: <ul style="list-style-type: none"> - Lapan Kabu Estate Waste Management Action Plan Year 2020 - Scheduled wastes management procedure; Issue # 1; Dated June 2017 - Continuous Improvement Environmental Plan 2020-2021 such as 3R Waste Management Practices Campaign. 	Complied
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 above programs were regularly communicated by estate management to all employees from time to time during morning briefing. The recent specific Triple rinsing training for Chemical handlers were conducted on 29/09/2019 attended by all estate staff and employees.	Complied
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Specific Environmental Aspects & Impacts reviews were conducted annually at the estate. Environmental aspects and quality were discussed during the environmental meeting as part of the agenda dated 10/9/2020.	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	A plan for improving efficiency of the use of fossil fuels was established to include fuel consumption at estate Diesel use per mt FFB was monitored every month. The Plan for Improving Fossil Fuel and Palm	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																																							
	<p>should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p> <p>- Major compliance -</p>	<p>GHG FY 2020. The record of Diesel was available at site for verification. Data as per below:-</p> <table border="1"> <thead> <tr> <th>Diesel usage</th> <th>Month</th> <th>Liter</th> </tr> </thead> <tbody> <tr><td></td><td>Jan</td><td>2379</td></tr> <tr><td></td><td>Feb</td><td>1842</td></tr> <tr><td></td><td>March</td><td>2681</td></tr> <tr><td></td><td>April</td><td>2720</td></tr> <tr><td></td><td>May</td><td>2332</td></tr> <tr><td></td><td>June</td><td>3974</td></tr> <tr><td></td><td>July</td><td>3126</td></tr> <tr><td></td><td>August</td><td>2735</td></tr> <tr><td></td><td>Sept</td><td>3587</td></tr> <tr><td></td><td>Oct</td><td>2916</td></tr> <tr><td></td><td>Nov</td><td>2297</td></tr> <tr><td></td><td>Dec</td><td>2669</td></tr> </tbody> </table>	Diesel usage	Month	Liter		Jan	2379		Feb	1842		March	2681		April	2720		May	2332		June	3974		July	3126		August	2735		Sept	3587		Oct	2916		Nov	2297		Dec	2669	
Diesel usage	Month	Liter																																								
	Jan	2379																																								
	Feb	1842																																								
	March	2681																																								
	April	2720																																								
	May	2332																																								
	June	3974																																								
	July	3126																																								
	August	2735																																								
	Sept	3587																																								
	Oct	2916																																								
	Nov	2297																																								
	Dec	2669																																								
4.5.2.2	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p>- Major compliance -</p>	<p>The estate have a yearly estimation of energy usage. This estimation is compared to the actual usage on a monthly basis and reported to the head office.</p>	Complied																																							
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>No renewable energy been used in estate.</p>	Complied																																							
Criterion 4.5.3: Waste management and disposal																																										
4.5.3.1	<p>All waste products and sources of pollution shall be identified</p>	<p>All waste products and sources of pollution had been identified in Waste Management Action Plan Year 2020 for the estate. Based on</p>	Complied																																							

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	and documented. - Major compliance -	the Waste Management Action Plan Year 2020 the following wastes and its sources were identified: - Domestic waste: Rubbish from linesite, office and etc. at MDKKU (Majlis perbandaran) - Scheduled waste: SW305, SW306, SW 410 & SW 409 - Recyclable waste: Empty chemical container, empty fertilizer bag, palm fronds, etc.	
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 -	As above, all waste products and sources of pollution had been identified in Waste Management Action Plan Year 2020 for the estate. Site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented. Segregation of wastes i.e. general wastes and scheduled wastes were verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes at the estate. To enhance the waste management plan according to implementation as per operation management.	OFI
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. - Major compliance -	Records sighted for SW i.e. Identification Inventory of Scheduled Wastes; dated 13/1/2021. Sampled the latest consignment note for disposal of chemical containers dated 20/6/2020 indicated SW 409 with total 100kgs of Chemical Containers and SW 410 with total 50kg of Oil filter were disposed to Pentas Flora (Kelantan) Sdn Bhd as per consignment note D11504.	Complied
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	Lepan Kabu Estate conducted the Triple Rinsing of Empty Chemical Container Training (<i>Latihan 3 Kali Pembilasan Bekas Racun dan Bahan Kimia</i>) to all chemical handlers based on the guideline for used plastic pesticide container recycling program (UPPCR).	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	national programme on recycling of used HDPE pesticide containers. - Major compliance -	Sampled the latest consignment note for disposal of chemical containers dated 20/6/2020 indicated 100kgs of Chemical Containers were disposed to Pentas Flora (Kelantan) Sdn Bhd.	
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	The management disposed domestic waste through recycling and also at the disposed at Majlis Daerah Kuala Krai Utara (MDKKU). Verified as per letter MDKKU (KA) 12/96/Jld.7 (13) dated 30/1/2005.	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 -	Based on the assessment done by the estate of all polluting activities in estate as of the Environment Aspect and Impact assessment, identified sources were fertilizer, diesel and pesticide chemicals as the main GHG pollutants, waste generate by operation and in estate already updated and revised on July 2020.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Action plan was established to reduce identified significant pollutants including IPM implementation, empty chemical container & empty fertilizer bags recycle and electricity supply rationing to housing quarters.	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.	Documented Water Management Plan Year 2020/21 inclusive of location; wastewaters produced; treatment/containment method; reuse/recycle/disposal method was sighted. a. Assessment water usage and source supply was available in water management plan. There are 2 river thave have connection with Lapan Kabu Estate, Sg Lebir and Sg Pahi.	Minor Non Compliance

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities.</p> <p>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.).</p> <p>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.</p> <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>b. The monitoring was available only for Sg Pahi dated 10 July 2019 however no monitoring was done for Sg Lebir and Sg Pahi for year 2020 Thus Minor NC been raised.</p> <p>c. In Lepad Kabu Estate, there are optimize the water usage such as using water rain harvesting to reduce wastage.</p> <p>d. Management already establish Protection of water courses and wetlands implemented as per established policy of slope and river buffer protection policy (Refer Polisi Zon Perlindungan Cerun dan Zon Penampunan Sungai); dated 12/1/2015.</p> <p>e. No Visual identification been verified due to COVID-19 issue and MCO within Malaysia however the management already establish plan for restoration if any vegetation in riparian area been removed.</p> <p>f. No bore well was being used in estate.</p> <p>Boustead also maintained monitoring records of water usage which recorded every day and summarized on monthly basis including the monitoring of rainfall water, which has been an alternative source of water as mitigation plan during draught season.</p>	
<p>4.5.5.2 No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	<p>Visit to estate field confirmed no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p>	<p>Complied</p>
<p>4.5.5.3 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>The estate practice water harvesting at strategic locations. They also maintained monitoring records of water usage which recorded every day and summarised on monthly basis including the monitoring of rainfall water, which has been an alternative source of water as</p>	<p>Complied</p>

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance										
	- Minor compliance -	mitigation plan during draught season. The record of rain harvesting available in estate.											
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 requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	<p>The High Conservation Value assessment report was available dated December 2019 by Malaysian Environmental Consultant Sdn Bhd. This HCV report cover the identification of high biodiversity value habitat in Lepad Kabu Estate. From the report, there are HCV 4 in Lepad Kabu Estate with total 25.02 Ha. This HCV 4 regarding to buffer zone at Sg Lebir, Sg Pahi and buffer to riparian forest as per detail below:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>HCVMA</th> <th>Type of Land Cover</th> <th>Area (Ha)</th> <th>Total Area (Ha)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">HCV 4</td> <td>Riparian Forest</td> <td>9.25</td> <td rowspan="2">25.02</td> </tr> <tr> <td>River buffer</td> <td>15.77</td> </tr> </tbody> </table>	HCVMA	Type of Land Cover	Area (Ha)	Total Area (Ha)	HCV 4	Riparian Forest	9.25	25.02	River buffer	15.77	Complied
HCVMA	Type of Land Cover	Area (Ha)	Total Area (Ha)										
HCV 4	Riparian Forest	9.25	25.02										
	River buffer	15.77											
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>Based on the Polisi Alam Sekitar & Biodeversiti ; dated 2/12/2019; signed by Boustead CEO, the HCV Management Plan has been established as 4 objectives as following:</p> <ol style="list-style-type: none"> 1. There should be no disturbing and clearing of forests and riverine areas resulting in soil erosion during replanting. Currently, these areas are under passive management. 2. Improving capacity in management of the HCV sites and require constant monitoring. 3. HCV areas should be clearly demarcated, especially in areas that are on the estate boundary 	Complied										

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>4. Definite working maps and the construction of visible boundary markers with effective signage should be put in place.</p> <p>5. Socialise with staff, workers, and local communities about the HCV areas, their functions and the restrictions.</p>	
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 above programs were regularly communicated by estate management to all employees from time to time during routine workers assembly. The recent specific biodiversity and environmental policy briefing was conducted on August 2020 attended by all estate staff and employees however no record of HCV monitoring in Lepad Kabu Estate.</p>	Major Non Compliance
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>- Major compliance -</p>	<p>Group Policy on restricting open burning dated in 2011 has been established. A circular [O.P.C No. 51c, July 1999] stating when there were incidences of Basal Stem Rot [BSR] on the old stands or high risk of Oryctes infestation, then partial burning and pulverisation are to be carried out. Before commence of burn, a permit should be obtained from DOE and burning strictly not allowed during July – November or whenever a “No Open Burning” circular from local authorities. It was confirmed during site visit to estate field that no use of fire for land preparation during replanting activities.</p>	Complied
4.5.7.2	<p>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.</p> <p>- Major compliance -</p>	<p>No record of any approval regarding this matter, verification with management</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
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 Visual identification been verified due to COVID-19 issue and MCO within Malaysia.	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 Visual identification been verified due to COVID-19 issue and MCO within Malaysia. As per verification with management for replanting they felling and shredded the old palm oil. No using fire during replanting done.	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 -	Boustead Plantations Bhd has established the agriculture manual (Oil Palm Circular) covers felling and clearing, planting material, weeding, lalang, manuring, pest & disease, census & thinning out, drains, road & bridges, soil/water conservation, boundaries, fences & survey, supplying, pruning, collection (harvesting) and external transport.	Complied
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	Boustead Plantations Bhd has established SOP related to planting on slope namely Soil Conservation/Water Management was sighted. All the strategy including soil conservation practices, type of vegetation, ground cover establishment were found implemented accordingly in the field however no verification on site due to Movement Control Order by Malaysia.	Complied
4.6.1.3	A visual identification or reference system shall be established for each field.	No Visual identification been verified due to COVID-19 issue and MCO within Malaysia.	Complied

Criterion / Indicator		Assessment Findings	Compliance												
	- Major compliance -														
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 -	Lepan Kabu Estate has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. This budget consist of area statement, replanting cost, FFB budget, capital expenditures, vehicle and heavy plant running schedule, upkeep and cultivation, harvesting, nursery, production cost etc. Budget 2020 and 5 years planning horizon (projections 2020- 2025) was verified during the audit.	Complied												
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	The revised replanting program was established which was updated. The replanting programme sighted as follow:- <table border="1" data-bbox="1048 853 1447 1185"> <thead> <tr> <th>Year</th> <th>Replanting (Ha)</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>125.10</td> </tr> <tr> <td>2022</td> <td>329.7</td> </tr> <tr> <td>2023</td> <td>300</td> </tr> <tr> <td>2024</td> <td>362.1</td> </tr> <tr> <td>2025</td> <td>372</td> </tr> </tbody> </table>	Year	Replanting (Ha)	2021	125.10	2022	329.7	2023	300	2024	362.1	2025	372	Complied
Year	Replanting (Ha)														
2021	125.10														
2022	329.7														
2023	300														
2024	362.1														
2025	372														
4.6.2.3	The business or management plan may contain: Attention to quality of planting materials and FFB Crop projection: site yield potential, age profile, FFB yield trends Cost of production : cost per tonne of FFB	Lepan Kabu Estate has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. This budget consist of area statement, replanting cost, FFB budget such as price pertonne and forecast, capital expenditures, vehicle and heavy plant running schedule, upkeep and cultivation, harvesting, nursery, production cost etc.	Complied												

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	Price forecast e) Financial indicators : cost benefit, discounted cash flow, return on investment - Major compliance -	Budget 2020 and 5 years planning horizon (projections 2020- 2025) was verified during the audit.	
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 -	Lepan Kabu Estate has regularly monitored, periodically reviewed and documented the budget versus actual through progress report. The management also has established costing book for every work activity at estate and conducted the monthly meeting with all staff and executive. This also will be verified during internal audit, Internal audit was done on 17-19/11/2020 by company internal auditor.	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 -	Lepan Kabu Estate supplied its FFB to external parties. The pricing mechanism was clearly stated in the contract or purchase order made for the products and other services acquired by the company. Verified as per contract between Lepan Kabu Estate with Che Idris bin Che Dollah.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Contract awarded to contractors by the estate were based on mutual understanding of both parties that deemed to be fair, legal and transparent with timely agreed payment. Sampled of contract agreement that signed by the contractors as below: Contract detail; LKE02/2020 for Harvesting Works which valid starting Jan 2020; Contractor: Che Idris Bin Che Dollah. Sample payment for invoice # Date: Sept 2020	Complied
Criterion 4.6.4: Contractor			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Sampled contract agreements (as per indicator 4.6.3.2 above) were included with a special clause on MSPO compliance required for the contractor upon award.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	The contractors have signed on the contract agreement prior to provide services. Seen the contract agreement and details as refer to Criterion 4.6.3.2.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	Boustead Plantations Berhad has agreed for BSI auditors to verify the assessment through a 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 will issued the working chit for every work done on daily basis as stated in the contract agreement. During the month end, the contractor will issued the tax invoice to the company for all the work done to proceed for payment.	Complied
4.7 Principle 7: Development of new planting			
Not applicable since there is no new planting at Lepad Kabu Estate.			

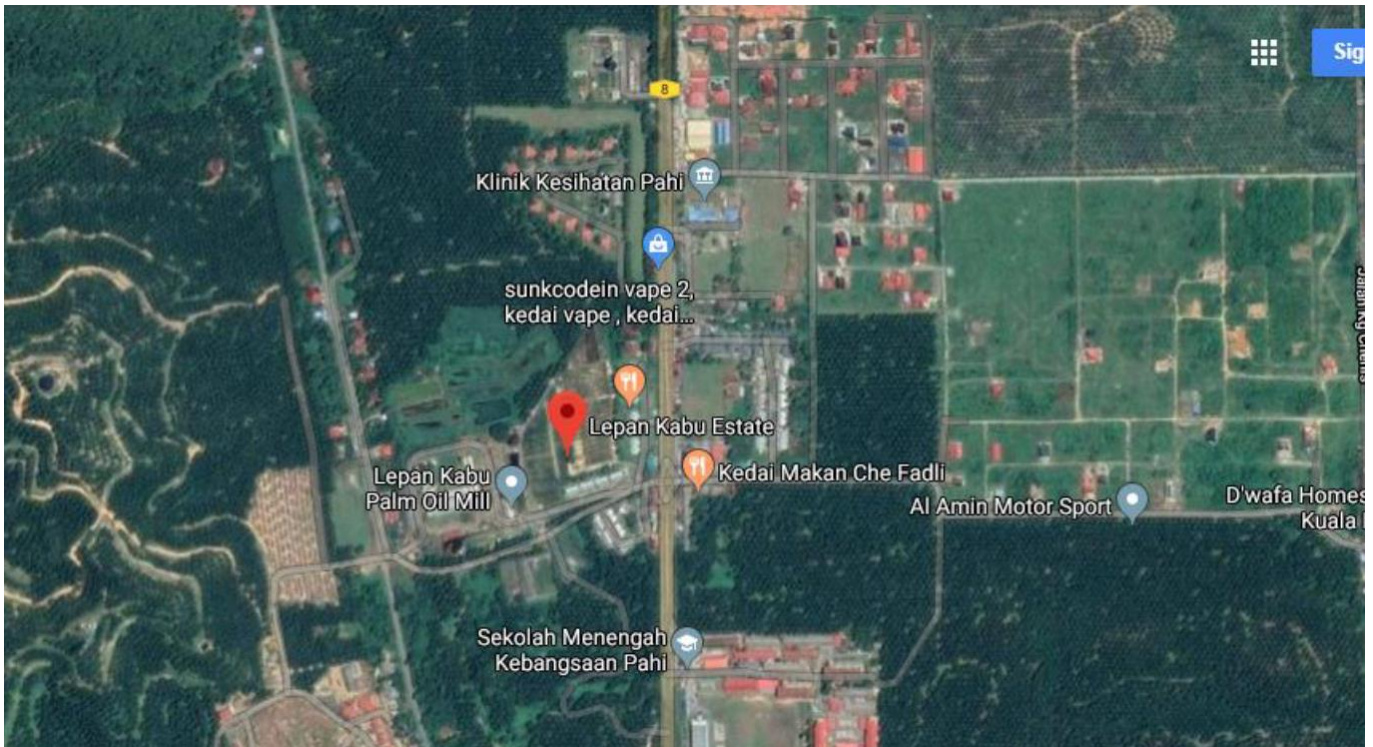
Appendix B: List of Stakeholders Contacted

Government Officer: Nil	Community/neighbouring village: Nil
Suppliers/Contractors/Vendors: Nil	Worker's Representative/Gender Committee: Nil

Appendix C: Smallholder Member Details

Not applicable

Appendix D: Location and Field Map of Lapan Kabu Estate



Appendix E: List of Abbreviations

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