

MALAYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report

- Initial Assessment
- Annual Surveillance Assessment (3)
- Recertification Assessment (Choose an item.)
- Extension of Scope

BOUSTEAD PLANTATIONS BERHAD
Client Company (HQ) Address: 10 th , 11 th , and 18 th Floor, Menara Boustead 69, Jalan Raja Chulan 50200 Kuala Lumpur, Malaysia
Certification Unit: Lepan Kabu Estate
Date of Final Report: 27/6/2023

Report prepared by:
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Report Number: 3717731

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Boustead Plantations Berhad		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	Lepan Kabu Estate	616032002000	30/11/2023
Address	Head Office: 10 th , 11 th , and 18 th Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia		
Management Representative	Pn. Azmariah Muhamed / Cik Mitah Limpu		
Website	www.bousteadplantations.com.my	E-mail	azmariah@bplant.com.my mitah@bplant.com.my
Telephone	03-2145 2121	Facsimile	03-2144 7917

1.2 Certification Information			
Certificate Number	MSPO 715206	Certificate Start Date	28/02/2020
Date of First Certification	28/02/2020	Certificate Expiry Date	27/02/2025
Scope of Certification	<input type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	<ul style="list-style-type: none"> Determination of the conformity of the client's management system, or parts of it, with audit criteria. Evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements 		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
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	19-20/01/2022		
Continuous Assessment Visit Date (CAV) 3	08-09/02/2023		
Continuous Assessment Visit Date (CAV) 4	-		

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1.3 Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
-	-	-	-

1.4 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Lepan Kabu Estate	KM 88.8 Jalan Kota Bharu - Gua Musang Pahi, 18000 Kuala Krai, Kelantan, Malaysia	5° 28' 58.10" N	102° 13' 15.60" E

1.5 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Lepan Kabu Estate	1,950.78	35.42	29.20	2,015.40	97%
Total (ha)	1,950.78	35.42	29.20	2,015.40	97%

1.6 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Lepan Kabu Estate	380.60	551.78	572.20	188.90	257.30	1,570.18	380.60
Total (ha)	380.60	551.78	572.20	188.90	257.30	1,570.18	380.60

1.7 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Feb 2022 - Jan 2023)	Actual (Jan 2022 - Jan 2023)	Forecast (Feb 2023 - Jan 2024)
Lepan Kabu Estate	17,750.00	19,376.79	25,100.00
Total (mt)	17,750.00	19,376.79	25,100.00

Note: Actual tonnage exceeded estimated due to 13 months production

1.8 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Feb 2022 - Jan 2023)	Actual (Jan 2022 - Jan 2023)	Forecast (Feb 2023 - Jan 2024)
Nil	N/A	N/A	N/A

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Total (mt)	N/A	N/A	N/A
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1.9 Certified Tonnage			
	Estimated (Feb 2022 - Jan 2023)	Actual (Jan 2022 - Jan 2023)	Forecast (Feb 2023 - Jan 2024)
Mill Capacity: N/A	FFB	FFB	FFB
	N/A	N/A	N/A
SCC Model: N/A	CPO (OER: %)	CPO (OER: %)	CPO (OER: %)
	N/A	N/A	N/A
	PK (KER: %)	PK (KER: %)	PK (KER: %)
	N/A	N/A	N/A

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
N/A	N/A	N/A	N/A	N/A	N/A

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
N/A	N/A	N/A	N/A	N/A	N/A

Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 08-09/02/2023. The audit programme is included as Section 2.4. The approach to the audit was to treat the Lepad 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 Certification Unit were not using MSPO certification marks for any type of on- and off-product communication. The Certification Unit are compliance with the use of the MSPO Logo and related claims.

This single estate Certification Unit will be audited every year since no sampling applicable.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.6.

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.

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

The Major NC close out on-site assessment was conducted off-site through submission of CAP evidence on 03/05 by client.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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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: February 1, 2024 - February 2, 2024

Total No. of Mandays: 4 days

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>
Hafriazhar Mohd. Mokhtar (HMM)	Team Leader	<p>Education: Holds a Bachelor of Engineering (Hons.) Chemical Engineering, University Technology Malaysia.</p> <p>Work Experience: He has more than 20 years of working experience in multiple engineering disciplines emphasized on science, technology and sustainability. He acquired many skills from being involved in various industrial environments ranging from construction, plantation and mining before shifted into auditing. In short, his career began as Environmental Officer (2002-2003) in construction, Mill Engineer (2003-2008) in plantation, Project Control Engineer (2008-2011) in mining and Auditor/Client Manager (2011-present) in certifications auditing.</p> <p>Training attended: He has completed Social Auditing & SMETA Training, HCV and GIS Training, ISO 45001 LA Training, MSPO LA Training, Endorsed RSPO SCCS LA Training, Endorsed RSPO P&C LA Training, ISO 9001 LA Training, ISO 50001 LA Training, and ISO 14001 LA Training.</p> <p>Aspect covered in this audit: During this assessment he assessed the aspects of Legal, social aspects, employee's welfare, and stakeholders' consultations & communications requirements.</p> <p>Language proficiency: Fluent in Bahasa Malaysia and English.</p>
Ahmad Ruffi Bin Abu Talib Khan (ARK)	Team member	<p>Education: Bachelor's Degree in Mechanical Engineering from University of Technology MARA Shah Alam, graduated in 2015.</p> <p>Work Experience: He started his career as Assistant Mill Manager, managing the day-to-day mill operations. In his five years' experience, he has experience handling the certification of ISO 9001, OHSAS 18001, ISO 14001 as well as Malaysia Sustainable Palm Oil (MSPO). He is a qualified Lead Auditor for MS 2530:2013 and has accumulated more than 300 audit</p>

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		<p>days throughout his current career as the auditor for multiple disciplines covering all over Malaysia.</p> <p>Training attended: He has completed CQI – IRCA approved ISO 9001, ISO 14001 and ISO 45001 Lead Auditor Course, MSPO 2530:2013 Lead Auditor Course, Endorsed RSPO Lead Auditor and RSPO SCC Auditor course.</p> <p>Aspect covered in this audit: During this assessment he assessed the aspects of Legal, estate best practices, traceability, occupational safety, biodiversity and environmental requirements.</p> <p>Language proficiency: Fluent in English and Bahasa Malaysia.</p>
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2.2 Impartiality and conflict of interest

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

2.3 Accompanying Persons

No.	Name	Role
	N/A	

2.4 Assessment Plan

The assessment plan was sent to the client on 30/01/2023 prior to the assessment (attached assessment plan).

Date	Time	Subjects	HMM	ARK
Tuesday 07/02/2023	PM	Audit team travel to Kuala Krai	✓	✓
Wednesday 08/02/2023 Day 1	09:00 - 09:30	Opening Meeting <ul style="list-style-type: none"> • Presentation by Boustead • Presentation by BSI Lead Auditor - introduction of team member and assessment agenda • Confirmation of assessment scope • Verification of previous audit findings 	✓	✓
	09:30 - 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	✓	✓
	12:30 - 13:30	Lunch break		

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Date	Time	Subjects	HMM	ARK
	13:30 - 16:30	Document Review (MS 2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices and P7: Development of New Planting	✓	✓
	16:30 - 17:00	<ul style="list-style-type: none"> • Auditors' discussion • Interim closing meeting & End of Day 1 	✓	✓
Thursday 09/02/2023 Day 2	09:00 - 12:30	<ul style="list-style-type: none"> • Continue with field/facility visit • Continue with documentation review 	-	✓
	10:00 - 12:00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	✓	-
	12:30 - 13:30	Lunch break		
	13:30 - 16:30	<ul style="list-style-type: none"> • Continue with field/facility visit • Continue with documentation review 	✓	✓
	16:30 - 17:00	<ul style="list-style-type: none"> • Auditors' discussion • Closing meeting & End of audit 	✓	✓
Friday 10/02/2023	AM	Audit team travel back to Kuala Lumpur	✓	✓

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. The findings summary of the assessment by criteria are listed in Appendix A.

During the assessment there were one (1) Major & one (1) Minor nonconformities and two (2) OFI’s 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 action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
NCR Ref #:	2307915-202302-M1	Issue Date:	09/02/2023
Due Date:	10/05/2023	Date of Closure:	03/05/2023
Area/Process:	Lengan Kabu Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.4.2(a) Major
Clause Requirements:	The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented.		
Statement of Nonconformity:	The safety and health plan were not fully implemented.		
Objective Evidence:	During site visit, at FFB Ramp, it was notice that the ramp attendant / FFB Lorry Driver was stacking the FFB on the lorry without wearing the safety harness. This is against the control measure stated in the HIRARC (Ref No: BEA/OSH/HIRARC/51) – “Tergelincir dan jatuh”, with the control of “memakai abah-abah ketika berada diatas lori”.		
Corrections:	<ul style="list-style-type: none"> - Provide safety harness to the ramp attendant / FFB Lorry Driver. - Conduct training on working at height to the ramp attendant / FFB Lorry Driver. 		
Root cause analysis:	No dedicated person on monitoring implementation of risk control for ramp attendant / FFB Lorry Driver.		

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Corrective Actions:	Appoint person in-charge to monitor the implementation of the risk control recommended in HIRARC.
Assessment Conclusion:	<p>CAP has been accepted. Verification of evidence on CAP implementation as following:</p> <ul style="list-style-type: none"> - Purchase & issuance of safety harness to ramp workers on 20/03/2023 - Training on ramp work safety operation procedure dated on 20/03/2023 - Appointment of Assistant Estate Manager as PIC of Risk Management as per letter dated on 03/03/2023 <p>This confirmed that the Major NC has been addressed accordingly. Hence Major NC has been closed on 03/05/2023.</p>

Non-Conformity Report			
NCR Ref #:	2307915-202302-N1	Issue Date:	09/02/2023
Due Date:	Next assessment	Date of Closure:	Open
Area/Process:	Lepan Kabu Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.9 Minor
Clause Requirements:	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.		
Statement of Nonconformity:	Documented information for SOCSO contribution by employer on pay slips was not in line with applicable requirements.		
Objective Evidence:	<p>Based on payslip samples for the month of November 2022, December 2022 and January 2023 for a sample foreign worker i.e. Employee # 1519D; Male; Harvester; Date joined: 8/6/2015 the information of SOCSO contribution by employer was not available.</p> <p>Trailing of documents found that the SOCSO contribution for the employee was missed for those sampled consecutive 3 months and only made on 9/2/2023 as per records of receipts # 20230000665441, # 20230000665020 (December 2022) and receipts # 20230000664076 (November 2022).</p>		
Corrections:	The estate submitted request letter to Boustead of Information & Technology to resolve the breakdown.		
Root cause analysis:	The estate's PIMACS (HR & Payroll) system was breakdown due to the installation of a new patch which caused late payment for SOCSO contributions.		
Corrective Actions:	Developed a checklist to monitor all employees' necessary deduction or contribution i.e., SOCSO, EPF, etc. were made in timely manner and shown in the pay slips.		
Assessment Conclusion:	CAP has been accepted. Verification of evidence on CAP implementation will be conducted during next assessment.		

Opportunity For Improvement			
Ref:	2307915-202302-I1	Clause:	MSPO 2530 Part 3: 4.5.3.3
Area/Process:	Lepan Kabu Estate		

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Objective Evidence:	The management can further improve the process of handling the Schedule Waste as per the Guidelines for Packaging, Labelling, and Storage of Scheduled Waste In Malaysia.
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Opportunity For Improvement			
Ref:	2307915-202302-12	Clause:	MSP0 2530 Part 3: 4.1.2.2
Area/Process:	Lepan Kabu Estate		
Objective Evidence:	Based on Internal Audit Procedure; Issue # 1; Rev. # 2; Revised date: 24/5/2022 which requires the corrective action plan and implementation to address nonconformities within specified timeline. The timeline to address the nonconformities could be improved further depends on the nature of the requirements of the standard.		

Noteworthy Positive Comments	
1	Good implementation of IPM.
2	Good contribution to local communities.
3	Good cooperation and retrieval of documents during assessment.

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	2156335-202201-M1	Issue Date:	20/01/2022
Due Date:	20/04/2022	Date of Closure:	05/02/2022
Area/Process:	Lepan Kabu Estate	Clause & Category (Major / Minor)	MSP0 2530 Part 3: 4.4.4.2 Major
Clause Requirements:	<p>The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> b) The risks of all operations shall be assessed and documented e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. 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:	The safety and health plan not fully implemented.		
Objective Evidence:	<p>During document checking, it was found that estate yet to conduct identification of Noise Exposure. It was against Occupational Safety & Health (Noise Exposure) Regulations 2019 Section 3(1).</p> <p>During site visit at Nursery Store, it was found a balance of pure chemical Basta and Ally were stored there without any SDS and safety precautions. It was against SOP store BEA/OSH/PKS/34 dated 01/09/2019 section k "Sekiranya ada lebihan</p>		

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	<p>racun yang tidak digunakan, racun tersebut hendaklah disimpan semula di dalam stor".</p> <p>During site visit at Harvesting area, it was found First Aid box were available however during checking, it was found 2 packets of Oral medicine were placed there. It was against Checklist for First Aid Box Items in the Guidelines on First Aid Box in Workplace.</p>
Corrections:	<ul style="list-style-type: none"> - Request from Sustainability & Safety Department to conduct identification of Noise Exposure. - Transfer all balance of pure chemical to chemical store. - Check all First Aid Kit for any oral medicine placed there.
Root cause analysis:	<ul style="list-style-type: none"> - Estate management were not aware that the NRA is compulsory to be conducted by estate starting year 2021. - Lack of awareness regarding chemical handling among nursery workers. - Lack of awareness in first aid box management among the person in-charge.
Corrective Actions:	<ul style="list-style-type: none"> - To follow up and communicate with Sustainability & Safety Department regarding the identification of Noise Exposure. - Conduct training on chemical handling (nursery). - Conduct training on First Aid Kit management.
Assessment Conclusion:	<ul style="list-style-type: none"> - Request of Identification of Noise Exposure for Year 2022 has been submitted to Sustainability & Safety Department on 24/01/2022. Refer Letter of requisition by Manager Mr Nizam Sahat. - Training on Chemical Handling (Nursery) has been conducted. Refer Training "Latihan Pengendalian Racun Rumpai/ Perosak Di Kawasan Tapak Semaian" Dated 29/01/2022. Sighted Training Material, Attendance and Photos. - First Aid Kit Management Training has been conducted. Refer "Latihan Keselamatan & Peti Pertolongan Cemas" dated 22/01/2022. Sighted Training Material, Attendance and Photos. <p>Based on the above evidence, the major NC is closed effectively on 05/02/2022.</p>
Verification Statement:	<p>ASA 3 verification:</p> <p>No recurrence of same issues found during on-site assessment although a different issue fell within same indicator was raised. Notwithstanding, another Major NC has been raised on a different sub-clause of this requirement.</p>

Non-Conformity Report			
NCR Ref #:	2156335-202201-N1	Issue Date:	20/01/2022
Due Date:	Next surveillance	Date of Closure:	08/02/2023
Area/Process:	Lepan Kabu Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.1.2.2 Minor
Clause Requirements:	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of non-conformities, in order to implement the necessary corrective action.		
Statement of Nonconformity:	The internal audit procedure was not fully implemented.		

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Objective Evidence:	During Interview and document verification, it was found latest two internal audit was conducted on 17/01/2022 and 12/11/2020 respectively. There is no evidence of Internal Audit for the year 2021 conducted. It was against Internal Audit Procedure dated July 2016, Section 5.0 (a) Procedure: Frequency "The Internal Audit shall be carried out once a year guided by the annual audit schedule. A follow up audit can be carried out as and when it is required".
Corrections:	Request from Sustainability & Safety Department for Internal Audit plan for year 2023.
Root cause analysis:	Internal audit for MSPO were not conducted in year 2021 due to few consecutive COVID-19 outbreak in Lepad Kabu Estate which caused few events of Enhanced Movement Control Order (EMCO).
Corrective Actions:	To follow up and communicate with Sustainability & Safety Department regarding the Internal Audit Plan.
Assessment Conclusion:	Based on Internal Audit Procedure; Issue # 1; Rev. # 2; Revised date: 24/5/2022 which requires the corrective action plan and implementation to address nonconformities within specified timeline. However, the timeline to address the nonconformities to be improved further depends on the nature of the requirements of the standard. Hence an OFI raised on the matter.
Verification Statement:	<p>ASA 3 verification:</p> <p>No recurrence of same issues found during on-site assessment based on evidence of corrective actions implemented as following:</p> <ul style="list-style-type: none"> - Internal audit was latest conducted on 19-22/12/2022 as per Internal Audit Report # 02/2022 by internal auditors from Boustead Plantations Berhad Sustainability Department. - A total of 7 nonconformities were raised which were taken actions and verified closed by internal auditors on 2/2/2023. There were also 7 OFIs raised and acted accordingly by Lepad Kabu Estate management. <p>Hence Minor NC has been closed on 08/02/2023.</p>

Non-Conformity Report			
NCR Ref #:	2156335-202201-N2	Issue Date:	20/01/2022
Due Date:	This assessment	Date of Closure:	08/02/2023
Area/Process:	Lepad Kabu Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.6.3 Minor
Clause Requirements:	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.		
Statement of Nonconformity:	The continuous training was not effectively implemented.		
Objective Evidence:	Based on document verification and interview, it was found that the implementation of training for the year of 2021 not accordance with Training Planned and there is no evidence of training material, photo, and attendance recorded for ERP Training and Schedule waste Management Training.		
Corrections:	To conduct training as per Training Plan.		

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Root cause analysis:	The implementation of continuous training was not accordance with Training Plan.												
Corrective Actions:	<ul style="list-style-type: none"> - To identify all trainings. - To plan training for year 2022. - To conduct training based on Training Plan. 												
Assessment Conclusion:	<p>A formal training programme on all aspects of MSP0 was established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs were reviewed and found to be complied.</p> <p>Training programme planned for year 2023 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to:</p> <ul style="list-style-type: none"> - harvesters - pesticides operators - manurers 												
Verification Statement:	<p>ASA 3 verification:</p> <p>No recurrence of same issues found during on-site assessment based on evidence of corrective actions implemented as following:</p> <p>Verified that the management has conducted training as per the training programs. The training record are available at each operating unit. Sample of training records as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Training</th> <th style="text-align: left;">Date</th> </tr> </thead> <tbody> <tr> <td>Lepan Kabu Estate</td> <td></td> </tr> <tr> <td>Training for replanting contractor</td> <td>15/01/2023</td> </tr> <tr> <td>Maneuering Training</td> <td>12/01/2023</td> </tr> <tr> <td>Taklimat Langkah Langkah Menghadapi Banjir</td> <td>16/11/2022</td> </tr> <tr> <td>Policy Training</td> <td>06/11/2022</td> </tr> </tbody> </table> <p>Training needs for individual employees was identified and documented. Sighted the training need analysis is available at Lepan Kabu Estate for the year 2022 and 2023.</p> <p>Annual Training Programme for 2023 is available with training topic to be conducted for each month was identified. Training covers all aspect of safety, environment, social, as well as working procedure.</p> <p>With the evidence and implementation verification made, hence, Minor NC has been closed on 08/02/2023.</p>	Training	Date	Lepan Kabu Estate		Training for replanting contractor	15/01/2023	Maneuering Training	12/01/2023	Taklimat Langkah Langkah Menghadapi Banjir	16/11/2022	Policy Training	06/11/2022
Training	Date												
Lepan Kabu Estate													
Training for replanting contractor	15/01/2023												
Maneuering Training	12/01/2023												
Taklimat Langkah Langkah Menghadapi Banjir	16/11/2022												
Policy Training	06/11/2022												

Opportunity For Improvement			
Ref:	Nil	Clause:	N/A
Area/Process:	N/A		
Objective Evidence:	N/A		
Verification Statement:	N/A		

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
1840029-201907-M1	4.4.4.1 Part 3: Major	22/10/2019	Closed on 30/12/2019
1840029-201907-M2	4.5.6.1 Part 3: Major	22/10/2019	Closed on 30/12/2019
1840029-201907-M3	4.5.4.1 Part 3: Major	22/10/2019	Closed on 30/12/2019
1840029-201907-M4	4.4.4.2 Part 3: Major	22/10/2019	Closed on 30/12/2019
1840029-201907-N1	4.4.4.2 Part 3: Minor	22/10/2019	Closed on 14/01/2021
2011009-202101-M1	4.5.6.3 Part 3: Major	14/01/2021	Closed on 04/03/2021
2011009-202101-N1	4.5.5.1 Part 3: Minor	14/01/2021	Closed on 20/01/2022
2156335-202201-M1	4.4.4.2 Part 3: Major	20/01/2022	Closed on 05/02/2022
2156335-202201-N1	4.4.4.2 Part 3: Minor	20/01/2022	Closed on 08/02/2023
2156335-202201-N2	4.4.4.2 Part 3: Minor	20/01/2022	Closed on 08/02/2023
2307915-202302-M1	4.4.4.2(a) Part 3: Major	09/02/2023	Closed on 03/05/2023
2307915-202302-N1	4.4.5.9 Part 3: Minor	09/02/2023	Open

3.5 Issues Raised by Stakeholders

IS #	Description
1	Issues: Local communities’ representatives (Penghulu Mukim Peria & Penghulu Mukim Pahi) Have good relationship with estate management and staff. No negative issue related to estate boundary or impact from estate operation. Attended latest stakeholder consultation meeting. Many villagers able to get employment opportunities with estate.
	Management Responses: Noted on positive remarks.
	Audit Team Findings: No further issue.
2	Issues: Neighbour Estate (Ladang Kampung Kuantan) Have good relationship with estate management and staff. No negative issue related to estate boundary. Attended latest stakeholder consultation meeting.
	Management Responses: Noted on positive remarks.
	Audit Team Findings: No further issue.
3	Issues: Supplier & Contractor (FFB Transporter & Spare parts supplier) Have long business relationship with company for more than 10 years. No issue in pricing and payment. Local vendors given priority to do business in estate.



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	<p>Management Responses: Noted on positive remarks.</p>
	<p>Audit Team Findings: No further issue.</p>
4	<p>Issues: Workers’ representatives (NUPW & Gender Committee) All workers given freedom to join NUPW as member with subsidized monthly fee by company. No issue in housing and amenities provided by estate. Local workers given priority of employment compared to foreigners. Women workers taken care well and not allowed to work in chemical handling when pregnant and breastfeeding.</p>
	<p>Management Responses: Noted on positive remarks.</p>
	<p>Audit Team Findings: No further issue.</p>

3.6 List of Stakeholders Contacted

<p>Government Officer: -</p>	<p>Community/neighbouring village: Penghulu Mukim Peria Penghulu Mukim Pahi Ladang Kampung Kuantan (Neighbour Estate)</p>
<p>Suppliers/Contractors/Vendors: Akhwin Transport (FFB Transporter) H-Manek Urai (Spare Part Supplier)</p>	<p>Worker’s Representative/Gender Committee: NUPW representative Gender committee representative</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment Lepad Kabu Estate Certification Unit complies with the MS 2530-3:2013. It is recommended that the certification of Lepad Kabu Estate Certification Unit is continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Mitah Binti Limpu	Name: Hafriazhar Mohd. Mokhtar
Company name: Boustead Plantations Berhad	Company name: BSI Services Malaysia Sdn. Bhd.
Title: Sustainability Executive	Title: Lead Auditor
Signature: 	Signature: 
Date: 22/06/2023	Date: 09/06/2023

Appendix A: Summary of the findings by Principles and Criteria

MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

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 policy for the implementation of MSPO established as BPB Sustainability Policy; Signed by CEO dated on 12/07/2021. The policy available in the company's website as per link as following: https://www.bousteadplantations.com.my/wp-content/uploads/2022/06/BPB-Sustainability-Policy.pdf	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy emphasized the commitment of continuously improve the effectiveness of quality management system for company's traceability and transparency of supply chain. The policy also emphasized commitment of continuous stakeholder engagement that strive to continue to be an active supporter of the sustainability initiative and will work to strengthen MSPO standards and adherence to it. Latest communication of policy to external stakeholders was conducted on 24/7/2022 while consultation with internal stakeholders were conducted from time to time during daily muster rollcall as per sample conducted latest on 05/02/2023.	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.	Internal audit was latest conducted on 19-22/12/2022 as per Internal Audit Report # 02/2022 by internal auditors from Boustead Plantations Berhad Sustainability Department. A total of 7 nonconformities were	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	raised which were taken actions and verified closed by internal auditors on 2/2/2023. There were also 7 OFIs raised and acted accordingly by Lapan Kabu Estate management.	
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 -	Based on Internal Audit Procedure; Issue # 1; Rev. # 2; Revised date: 24/5/2022 which requires the corrective action plan and implementation to address nonconformities within specified timeline. However, the timeline to address the nonconformities to be improved further depends on the nature of the requirements of the standard. Hence an OFI raised on the matter.	OFI
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	All records related to Internal Audit including audit plan, audit checklist and non-conformance report were maintained and available during site visit. Internal audit records also been reviewed by the top management.	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 -	Latest management review meeting was conducted on 9/1/2023 attended by Boustead Plantations Berhad’s Head of Sustainability & Safety Department and Head of Sungai Jernih Business Unit with all management team of Lapan Kabu Estate. The review reported in the Management Review Meeting minutes; Ref. # LKE/MRM-MSPO/01-2023.	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 -	Action Plan for continual improvement was observed based on consideration of social and environmental impact. Lapan Kabu Estate has taken good measures on action of continual improvement as following:	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - To substitute chemical to cultural and biological practices - Buffer zone establishment within affected estate field - Oil trap (environment control equipment/pollution control device) for oil/lubricants storage area - Local workers employment campaign 	
4.1.4.2	<p>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.</p> <p>- Major compliance -</p>	Boustead Plantations Berhad has been adopting a new operation, administration management including checkroll and material control systems i.e. PIMACS Database. The system able to improve practices for extracting crop reports, yield statistics, revenue expenditure, upkeep and cultivation (mature and immature), store balance and reconciliation and employee management for payslips, checkroll data, employee profile and etc.	Complied
4.1.4.3	<p>An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.</p> <p>- Major compliance -</p>	Except for mechanized trailer (tractor) only manual labour operation been implemented with latest mechanization was air-blower for leaf raking. Due to landscaping issue of Lepan Kabu Estate that is 30% hilly and 70% undulating, limited applicability of new industry standards and technology able to be implement.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p>	Lepan Kabu Estate maintained records of request and response, land titles and OSH plans, complaints and grievances records that make available upon request.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.2.1.2	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>Lepan 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, waste management plan, records of complaints and grievances were available upon request. All the policies such as Pesticide Use Policy, Human Rights Policy and Foreign Workers Policy were publicly available in the company's website:</p> <p>http://www.bousteadplantations.com.my/sustain_policy.html</p> <p>Others sustainability practices were also available on the website.</p>	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>Boustead Plantations Berhad - Lepan Kabu Estate has developed External Communication Procedure Flowchart and Communication Procedure. The scope of 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. The communication is achieved through notice board, meeting minutes, trainings and newspapers. Complaint/ Suggestion Form and the Suggestion Box was implemented in the company.</p>	Complied
4.2.2.2	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p>- Minor compliance -</p>	<p>Lepan Kabu Estate has established a Complaint Panel Committee to handle external and internal communication/ complaint in the estate. Appointment letters for the committee team consists of Field Officers, Storekeeper, Estate Hospital Assistant and Mandores dated 7/4/2019 were sighted. Estate Manager and Assistant Manager were the Chairman and Vice Chairman of the committee.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 was developed in Lepad Kabu Estate and last updated in January 2023. The list has included government authorities such as DOE, DOSH and BOMBA, contractors and suppliers, local communities' and NGOs. External stakeholder meeting was conducted on 09/01/2023 with the relevant stakeholders such as government authorities, contractors and suppliers, neighboring plantation, and schools' representatives.	Complied
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 -	Lepad Kabu Estate implemented the supply chain program based on Boustead Plantations MSPO Traceability Procedures; Issue 1; Issue date: July 2016; Rev. # 2; Rev. date: March 2018. The procedure was approved by MSPO Chairman which covering the implementation of all supply chain requirements for estate.	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. 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 that the Sustainability 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. At Lepad Kabu Estate, the responsible staff responsible to update and keep all relevant documents and records of FFB transaction to the mill.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 (Chit) and Daily Record (FFB Receiving Details Daily Report) were maintained. Sighted samples record available as following: i) Weighbridge Ticket # 40601; FFB Delivery Note Chit # 10163; Date: 24/10/2022; Field: 95A, 94A, 00A, 97A, 04A & 98A; Net Weight: 19.09; Transport: AHN3069 ii) Weighbridge Ticket # 40987; FFB Delivery Note Chit # 10182; Date: 28/11/2022; Field: 98A, 96A & 98A; Net Weight: 17.37; Transport: CCB7561	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	Compliance to applicable local, state, national and ratified international laws and regulations was monitored and updated in "List of Permit and License". The list of license sample is as follows: Lapan Kabu Estate: MPOB License License No: 616032002000 Expiry date: 30/11/2023 Terms: Menjual Dan Mengalih FFB Permit Barang Kawalan Berjadual Ref No: KPDNKK.KKR/600/1/2/21(PDS 060014) Diesel EURO 2M – 19,000 liter	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Expiry Date: 29/01/2023</p> <p>Note: The management are in process to renew the license, the application to renew the license was sighted. Refer BLESS No: DN22023009010 dated 29/01/2023</p> <p>Jabatan Tenaga Kerja Kelantan Kebenaran Potongan Upah Ref: JTKKEL:600-1/16/4 Jld2 (88)</p> <p>JKKP - Perakuan Kelayakan – PMT-KN/2212738 -Expiry Date- 22/05/2023 – Air Compressor.</p>	
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>Boustead Plantations Berhad – Lepad Kabu Estate has identified applicable legal requirements the List of Laws, Covenants & Standards Applicable to Estate & Mill Operations, reviewed on 06/01/2023. Among the list are:</p> <ol style="list-style-type: none"> 1. Medical Act 1971 Act 50 2. Occupational Safety and Health Act 1994 3. Private Employment Agency Act 246 1987 4. Minimum Retirement Age Act 2012 (Act 753) 5. Environmental Quality Act 1974 6. Employees Providence Act 1991 7. Factories and Machinery Act 1967 8. Workmen’s Compensation Act 1952 9. Employee Minimum Standard of Housing, Accommodations and Amenities Regulations 2020 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		10. Pesticides Act 1974 11. Water Act 1920 12. Minimum Wages Order 2022 13. Anti Sexual Harassment Act 2022 14. Passport Act 1966	
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 requirement was updated when the new regulations was added in. The list was updated on 06/01/2023.	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 -	Respective estate has appointed their Person Incharge for legal and other requirements taking care of the legal traceability systems. Their appointment letter was made available and reviewed. Lepan Kabu Estate – Nik Nurulhuda binti Nik Man dated 01/07/2021	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	The estate management ensured that their oil palm cultivation activities did not diminish the land use rights of other users as Boustead Plantations Berhad own 100% of its land area. Total Lepan Kabu Estate land titles area 11 as per sample sighted as following: 1. Grant # 1xxx, Lot # 7xxx; Reg. date: 25/5/1987 2. Grant # 2xxx, Lot # 1xxx; Reg. date: 14/11/1994 3. Grant # 2xxx, Lot # 1xxx; Reg. date: 14/11/1994 4. Grant # 2xxx, Lot # 1xxx; Reg. date: 22/12/1993	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 estate management provided documents showing legal ownership, history of land tenure and the actual use of the land of	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	the land. - Major compliance -	Lepan Kabu Estate land titles area 11 as per sample sighted as following: 1. Grant # 1xxx, Lot # 7xxx; Reg. date: 25/5/1987 2. Grant # 2xxx, Lot # 1xxx; Reg. date: 14/11/1994 3. Grant # 2xxx, Lot # 1xxx; Reg. date: 14/11/1994 4. Grant # 2xxx, Lot # 1xxx; Reg. date: 22/12/1993	
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. Site visit to boundary at field replanting field PR19A & 19B (PM 93A & 93B), with smallholder, found that the boundary stone was maintained. 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.	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.	N/A
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and gates 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.	N/A

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Criterion / Indicator		Assessment Findings	Compliance
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 by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and gates 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.	N/A
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and gates 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.	N/A
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: 2,057.84 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 2023.	Complied
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented.	Lapan Kabu Estate has developed Flowchart of Complaint/ Suggestion (Grievance Procedure) to receive the complaints from internal and	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	external stakeholders. The flowchart has clearly stated the Social Officer will be receiving the complaints. Besides, the company has developed BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following: 5. Continuous Stakeholder Engagement; 5.2. Transparency in Grievance and Complaint: - 5.2.1. Adopt an open and transparent approach to resolve any grievance or issues with the involvement of stakeholders. In tandem with this, we proactively engage with our stakeholders on new developments in sustainability policies and practices. - 5.2.2. Committed to reporting in a transparent manner in compliance to this Policy on a yearly basis or when required. - 5.2.3. Engage with stakeholders in the community to ensure that we listen, learn and take into account their views while dealing with them.	
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 -	Complaint/ Suggestion Form was established and implemented in the estates to record any complaints from the stakeholders. The estate management has taken action to rectify the complaints and updated the actions taken in the form and Complaint Report Book. The complainant has acknowledged on the complaint form after the issue has been resolved by the management in Lepad Kabu Estate.	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 -	Complaint/ Suggestion Form was implemented, and the empty form was available in the suggestion box area in front of the office in Lepad Kabu Estate. Interviewed with the stakeholders confirmed that they are understood about the complaint procedure.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Interview conducted with the stakeholders confirmed that they are understood about the complaint procedure.	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 Lepad Kabu Estate. No external complaints received except by internal stakeholders among workers complaining and requested on housing repairs only.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	The management has made contribution to the local communities and workers such as donation to the school activities upon request by the stakeholders. Besides, Lepad Kabu has donated consumable materials to nearby Kuala Krai Hospital. Lepad Kabu Estate also given priority of job opportunity to the local communities.	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	An occupational safety and health policy is available in the Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following: 2. Recognize the Right of All Employees; 2.3. Safety and Health: - 2.3.1. Comply with all laws and regulations related to reproductive rights and sexual health and be prepared to take the necessary steps to increase the level of awareness of all parties involved.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - 2.3.2. Nurture safe and healthy working environment free from sexual harassment including educate women on their rights also awareness program to the workforce. - 2.3.3. Provide equipment and training on the implementation safety and health policy <p>The OSH policy and plan are regularly communicated to the staffs and workers during the morning briefings and OSH Meetings. Interview with staff and workers revealed that all working safe operating procedures, OSH Policy and plans are being consistently implemented among all employees and monitored by the management through daily muster briefing, training, checklists etc</p>	
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe 	<p>Safety Management Plans are available at each estate has cover the OSH Program, compliance with safety regulations, legal requirement, risk assessment, training, PPE, Chemical Safety, ERP and etc.</p> <ul style="list-style-type: none"> a) Safety & health policy has been communicated and implemented to the estate operation. Records of communication was sighted on 16/01/2023 for Lepad Kabu Estate. <p>During site visit, at FFB Ramp, it was notice that the ramp attendant / FFB Lorry was stacking the FFB on the lorry without wearing the safety harness. The hazard of the activity is well documented in the HIRARC (Ref No: BEA/OSH/HIRARC/51) – “Tergelincir dan jatuh”, with the control of “memakai abah-abah ketika berada di atas lori”. Thus, Major NC is raised.</p> <ul style="list-style-type: none"> b) Risk of all operations has been identified in the HIRARC Form (e.g. Labuk Estate for Chemical Spraying Ref No: IOI-OHS-HIRARC-LBK-3.3.4-010 dated 03/01/2023 & Harvesting Ref No: IOI-OHS-HIRARC-LBK-3.3.4-001 dated 03/01/2023). 	Major Non Conformity

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<p>handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Noise Risk Assessment was conducted at Lepad Kabu Estate on 05/04/2022 (Doc No: N087/2204-028) and CHRA for Lepad Kabu Estate was conducted on 12/12/2019 (Ref No: HQ/12/ASS/00/306-2019/0033) The management has developed the action plan for the recommendation from assessor, dated 01/01/2022. According to CHRA, there is no need to conduct the Medical Surveillance. Audiometric test for Lepad Kabu Estate was conducted on 29/12/2022, found that the 14 workers with normal hearing and 3 workers having abnormal audiogram, currently on treatment. Further checking will do after the treatment.</p> <p>c) Awareness and training programme have included employees exposed to pesticides (e.g. for Lepad Kabu Estate was conducted on 08/01/2023)</p> <p>d) PPE was provided by the estate management to all employees according to their scope of job. The estate management did not charge the employees for the PPE. PPE issuance recorded in "Borang Pemberian Alat Pelindung Diri"</p> <p>e) Boustead Plantations Berhad has established the Standard Operating Procedure for handling the used chemical to ensure proper & safe handling, storage and disposal according to OSH (CLASS Regulations 2013 and OSH (USECHH) Regulations 2000. Chemical Handling Management (dated 11/10/2019) was established.</p> <p>f) Estate manager was appointed as chairman for the OSH Committee and assisted by representatives from employer and employees.</p> <p>g) Safety and Health Committee meeting has been planned to be conducted quarterly as regular two-way communication with</p>	

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		<p>employees to discuss employee’s health, safety and welfare such as: Lepan Kabu Estate – 24/03/2022, 18/06/2022, 24/08/2022 & 07/12/2022</p> <p>h) The estates have established emergency response team which is headed by estate managers. Accident reporting flowchart and Pelan Tindakan Kecemasan for accident/injury, flood and fire with emergency contact number was displayed at the notice board.</p> <p>i) Each estate sample have Estate Health Assistant station, and training has been conducted to mandore for first aider. Training records has been verified and interview with mandores station at workstation have been conducted. First Aider training was internally training dated 16/03/2022. Estate has 9 competent first aider available in the estate.</p> <p>j) JKPP 8 for Lepan Kabu Estate – Ref No: JKPP 8/114823/2022 submitted on 05/01/2023 with 68 mandays loss. JKPP 6 has been sent to DOSH for two accidents. Refer KN/SKEM/22/00619 and KN/SKEM/22/00577 n. JKPP6 accident has been reported in the JKPP8.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>Boustead Plantations Berhad has developed BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following:</p> <p>2. Recognize the Right of All Employees; 2.2. Respect Human Rights:</p> <ul style="list-style-type: none"> - 2.2.1. Respect women’s right to family planning, as well as the right to sexual and reproductive health as long as it does not violate the provisions of the law. 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - 2.2.2. Comply with prevailing fair wages practices. - 2.2.3. Provide fair and equal employment opportunities regardless race, nationality, religion, or gender, and practice no contract substitution. Training and development opportunities are provided based on business need, job requirements and individual qualification to ensure that employees are able to utilize their full potential. - 2.2.4. Assure that there will be no threats, retaliation or violence against human rights defenders (HRD) regardless of individuals or groups. This guarantee is also given to our employees who are directly or indirectly involved in HRD activities in the workplace. <p>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. Training of the policy was conducted on 05/02/2023 to external stakeholders. Seen the training attendance list and photo of the training. Besides, the policy was publicly displayed at the notice board outside the office.</p>	
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Boustead Plantations Berhad has established BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following:</p> <p>2. Recognize the Right of All Employees; 2.1. No Exploitation of People:</p> <ul style="list-style-type: none"> - 2.1.1. Respect and uphold the right of all workers, including contract, temporary and migrant workers, in accordance with the Universal Declaration Human Right (UDHR) and the International Labour Organization’s (ILO) core conventions. 	Complied

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		<ul style="list-style-type: none"> - 2.1.2. Respect the right to freedom of association/collective bargaining in organizations that are not against the laws of the Malaysian government. - 2.1.3. Implement responsible recruitment practices by preventing and eliminating the use of any form of forced labour, child labour, and human trafficking in accordance with ILO principles. - 2.1.4. Practice no child exploitation and comply with Child & Young Person (Employment) (Amendment) Act 2019, where young persons were employed, they are not allowed from carrying out tasks involving any hazardous work or any employment other than those specified in the act. <p>The company will ensure all the relevant parties will be treated equally and no discrimination based on race, caste, nationalities, religion, gender, and age etc. Interview conducted with the workers from different nationalities, gender and age confirmed that no discrimination was occurred in the estate.</p>	
4.4.5.3	<p>Management shall ensure that employees’ pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>There were employment contracts for workers. Pay and conditions are documented and are above the Minimum Wage Order 2022. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. The daily rate of RM 57.69 for the workers was stated in the contract according to Minimum Wage Order 2022. Sampled of the payslips for checkroll workers as below for Nov 2022, Dec 2022 & Jan 2023:</p> <ul style="list-style-type: none"> - Employee # 0581F; Female; Field Worker; Date joined: 1/7/1982 - Employee # 0791A; Female; Field Worker; Date joined: 2/1/2011 - Employee # 0959G; Male; Harvester; Date joined: 1/10/2020 - Employee # 0212I; Male; Field Worker; Date joined: 1/11/2011 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Employee # 0797C; Female; Field Worker; Date joined: 2/2/2011 - Employee # 1519D; Male; Harvester; Date joined: 8/6/2015 - Employee # 1590F; Male; General Worker; Date joined: 17/7/2022 - Employee # 1604B; Male; Harvester; Date joined: 28/10/2022 <p>All the sampled workers have achieved Minimum Wage Order 2022 and were paid accordingly if work on rest day and overtimes.</p>	
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</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 replanting contractors' workers in Lepadu Estate for Nov 2022, Dec 2022 & Jan 2023 shown that workers achieved Minimum Wage Order 2022 for sample as following:</p> <ul style="list-style-type: none"> - Passport No.: Axxx - Passport No.: Ayyy - Passport No.: Azzz <p>The contractors' workers also signed on the employment contract where basic salary, annual leave and public holiday entitlement was clearly outlined in the contract.</p>	Complied
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 direct employment workers will be registered in the Masterfile Prooflist and Labour Registers where personal details such as name, nationality, date of employed, job offered, salary and date of birth was stated in the list.</p> <p>The details for the contractors' workers are registered in the Workers Registration Form in Lepadu Estate.</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</p>	<p>Employment contracts for checkroll workers were acknowledged and kept a copy by the workers verified through interviewed with the</p>	Complied

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	<p>employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>workers. The contract was in the language that understood by 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 and overtime. Sampled of employment contracts as following:</p> <ul style="list-style-type: none"> - Employee # 0581F; Female; Field Worker; Date joined: 1/7/1982 - Employee # 0791A; Female; Field Worker; Date joined: 2/1/2011 - Employee # 0959G; Male; Harvester; Date joined: 1/10/2020 - Employee # 0212I; Male; Field Worker; Date joined: 1/11/2011 - Employee # 0797C; Female; Field Worker; Date joined: 2/2/2011 - Employee # 1519D; Male; Harvester; Date joined: 8/6/2015 - Employee # 1590F; Male; General Worker; Date joined: 17/7/2022 - Employee # 1604B; Male; Harvester; Date joined: 28/10/2022 	
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 estate management has maintained Field & General Workers Daily Attendance Record and Bunches Record to record the attendance, tonnage, and overtime etc. for individual checkroll 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 and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>The working hour and break time has been clearly stated in the employment contract. Besides, the attendance record was available and able to trace through Field & General Workers Daily Attendance Record.</p>	Complied
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective</p>	<p>Documented payslip was distributed to individual workers on the day of payment. Wages and overtime were paid according to the "Field &</p>	Minor Non Conformity

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<p>agreements. - Major compliance -</p>	<p>General Workers Daily Attendance. Total hours of overtime and daily attendance has recorded in the checkroll book. Sampled the payslip for month November 2022, December 2022 and January 2023 as following:</p> <ul style="list-style-type: none"> - Employee # 0581F; Female; Field Worker; Date joined: 1/7/1982 - Employee # 0791A; Female; Field Worker; Date joined: 2/1/2011 - Employee # 0959G; Male; Harvester; Date joined: 1/10/2020 - Employee # 0212I; Male; Field Worker; Date joined: 1/11/2011 - Employee # 0797C; Female; Field Worker; Date joined: 2/2/2011 - Employee # 1519D; Male; Harvester; Date joined: 8/6/2015 - Employee # 1590F; Male; General Worker; Date joined: 17/7/2022 - Employee # 1604B; Male; Harvester; Date joined: 28/10/2022 <p>However, based on payslip samples for the month of November 2022, December 2022 and January 2023 for the following worker Employee # 1519D; Male; Field Worker; Date joined: 8/6/2015 the SOCSO contribution by employer was not available for the sampled months. Trailing of documents found that the SOCSO contribution for the employee was missed for those sampled consecutive 3 months and only made on 9/2/2023 as per records of receipts # 20230000665441, # 20230000665020 (December 2022) and receipts # 20230000664076 (November 2022).</p> <p>Hence, a Minor NC has been raised.</p>	
<p>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.</p>	<p>The management provided free medical facilities to all the workers and dependents. The company also subsidized water and electricity to all employees up to certain extend of use.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
4.4.5.11	<p>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.</p> <p>- Major compliance -</p>	<p>Linesite inspection was carried out on weekly basis by Hospital Assistant. The record namely Laporan Perumahan Pekerja was sighted indicating inspected houses with issues requiring repair works were taken action by estate management accordingly.</p>	Complied
4.4.5.12	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Boustead Plantations Berhad has developed a BPB Sustainability Policy; Signed by CEO dated on 12/07/2021 as following:</p> <p>2. Recognize the Right of All Employees; 2.2. Respect Human Rights:</p> <ul style="list-style-type: none"> - 2.2.1. Respect women’s right to family planning, as well as the right to sexual and reproductive health as long as it does not violate the provisions of the law. - 2.2.2. Comply with prevailing fair wages practices. - 2.2.3. Provide fair and equal employment opportunities regardless race, nationality, religion, or gender, and practice no contract substitution. Training and development opportunities are provided based on business need, job requirements and individual qualification to ensure that employees are able to utilize their full potential. - 2.2.4. Assure that there will be no threats, retaliation or violence against human rights defenders (HRD) regardless of individuals or groups. This guarantee is also given to our employees who are directly or indirectly involved in HRD activities in the workplace. <p>The company will ensure the comfort and security of every employee, clients, business partners and public that involved in the plantations’ activities. The policy has clearly stated the types of sexual harassment such as verbal, visual, psychology, physical and etc.</p>	Complied

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<p>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.</p> <p>- Major compliance -</p>	<p>Boustead Plantations Berhad has developed BPB Sustainability Policy; Signed by CEO dated on 12/07/2021 as following:</p> <p>2. Recognize the Right of All Employees; 2.1. No Exploitation of People:</p> <ul style="list-style-type: none"> - 2.1.1. Respect and uphold the right of all workers, including contract, temporary and migrant workers, in accordance with the Universal Declaration Human Right (UDHR) and the International Labour Organization’s (ILO) core conventions. - 2.1.2. Respect the right to freedom of association/collective bargaining in organizations that are not against the laws of the Malaysian government. - 2.1.3. Implement responsible recruitment practices by preventing and eliminating the use of any form of forced labour, child labour, and human trafficking in accordance with ILO principles. - 2.1.4. Practice no child exploitation and comply with Child & Young Person (Employment) (Amendment) Act 2019, where young persons were employed, they are not allowed from carrying out tasks involving any hazardous work or any employment other than those specified in the act. <p>The company is committed and allowed their stakeholders such as employees, clients, business partner and etc to form or join any association where NUPW committee was established, and meeting was conducted between the management and representatives.</p>	<p>Complied</p>
<p>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 and young persons is acceptable on family farms, under adult supervision, and when not interfering</p>	<p>Boustead Plantations Berhad has developed BPB Sustainability Policy; Signed by CEO dated on 12/07/2021 as following:</p> <p>2. Recognize the Right of All Employees; 2.1. No Exploitation of People:</p> <ul style="list-style-type: none"> - 2.1.1. Respect and uphold the right of all workers, including contract, temporary and migrant workers, in accordance with the 	<p>Complied</p>

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	<p>with their education. They shall not be exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Universal Declaration Human Right (UDHR) and the International Labour Organization’s (ILO) core conventions.</p> <ul style="list-style-type: none"> - 2.1.2. Respect the right to freedom of association/collective bargaining in organizations that are not against the laws of the Malaysian government. - 2.1.3. Implement responsible recruitment practices by preventing and eliminating the use of any form of forced labour, child labour, and human trafficking in accordance with ILO principles. - 2.1.4. Practice no child exploitation and comply with Child & Young Person (Employment) (Amendment) Act 2019, where young persons were employed, they are not allowed from carrying out tasks involving any hazardous work or any employment other than those specified in the act. <p>The company will comply with 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. Document verified on the Employee Master List confirmed that all the workers employed were above 18 years old.</p>							
Criterion 4.4.6: Training and competency									
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Verified that the management has conducted training as per the training programs. The training record are available at each operating unit. Sample of training records as follows:</p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Lepan Kabu Estate</td> <td></td> </tr> <tr> <td>Training for replanting contractor</td> <td>15/01/2023</td> </tr> </tbody> </table>	Training	Date	Lepan Kabu Estate		Training for replanting contractor	15/01/2023	Complied
Training	Date								
Lepan Kabu Estate									
Training for replanting contractor	15/01/2023								

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Criterion / Indicator		Assessment Findings		Compliance
		Manuring Training	12/01/2023	
		Taklimat Langkah-Langkah Menghadapi Banjir	16/11/2022	
		Policy Training	06/11/2022	
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	Training needs for individual employees was identified and documented. Sighted the training need analysis is available at Lepad Kabu Estate for the year 2022 and 2023.		Complied
4.4.6.3	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. - Minor compliance -	Annual Training Programme for 2023 is available with training topic to be conducted for each month was identified. Training covers all aspect of safety, environment, social, as well as working procedure.		Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services				
Criterion 4.5.1: Environmental Management Plan				
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	Management has established an BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following: 1. Environmental Management; 1.1. No deforestation: - Practice of no deforestation with application of any relevant social requirement and implementation guidance. For new development area, High Conservation Value (HCV) assessment will be carried out to determine the eligibility of the area. Priority for development will be given to areas with no demonstrable HCV, where Free, Prior and Informed Consent (FPIC) has been acquired from the right-holders.		Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>1.2. Biodiversity and HCV Management:</p> <ul style="list-style-type: none"> - 1.2.1. Conservation of biodiversity by identifying and monitoring High Conservation Value (HCV) areas and complying with New Planting Procedure (NPP) as set forth by the Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO). - 1.2.2. Prohibit the construction of structures on natural waterways in accordance with the Irrigation Areas Act 1953 (Amendment 1989) and the Guidelines for: Panduan Melibatkan Sungai dan Rizab Sungai, Department of Irrigation and Drainage Malaysia. - 1.2.3. Preservation of natural water resources by developing and maintaining existing river buffer areas with crops in accordance with Department of Drainage and Drainage guidelines. - 1.2.4. Educate employees and stakeholders through awareness programs on protecting the environment and conserving biodiversity as a shared responsibility. <p>1.3. Peatland Management:</p> <ul style="list-style-type: none"> - 1.3.1. Practice of no new development of peatlands regardless of depth. - 1.3.2. Utilize appropriate management techniques for existing plantations on peat in line with Good Agricultural Practice (GAP) as defined in RSPO's Principle and Criteria Malaysia National Interpretation (RSPO's P&C MYNI). <p>1.4. Steep slope Management:</p> <ul style="list-style-type: none"> - 1.4.1. Practice of no new development or replanting on steep slope of more than 25o, unless approved by state government, in line with RSPO requirement. 	

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		<ul style="list-style-type: none"> - 1.4.2. Conservation and maintenance of ground cover crops on slopes and steep slopes of more than 25 degrees (25°). - 1.4.3. Developing plans for the management of areas which are unsuitable for oil palm replanting. <p>1.5. Zero Burning and GHG Management:</p> <ul style="list-style-type: none"> - 1.5.1. Enforcement of a zero burning in operation in all our business units, for replanting purposes, unless approved by authorities, in accordance to Section 29AA, Environmental Quality Act 1974. - 1.5.2. Progressively reduce greenhouse gas (GHG) emissions, recycle or reuse palm biomass and generate renewable energy. <p>1.6. Safe Handling of Pesticide:</p> <ul style="list-style-type: none"> - 1.6.1. Advocating the safe and judicious use of chemical and complying with all current local legislative requirements and GAP. - 1.6.2. Protect pregnant or breastfeeding women or others with medical restrictions from any work with pesticides in accordance with the Pesticides Act 1974 (Act 149) and Regulation 3 (c), Pesticides (Highly Poisonous Pesticides) Regulations 1996 (Amended 2004) <p>Estate management regularly communicated the above programs to all employees from time to time during morning briefings and quarterly meetings.</p>	
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. The target objective of 2023 was verified, which include ensuring water quality meet the Environment Quality Act 1974, reduction of soil erosion, reduction of chemical contamination from pesticide and fertilizer, waste</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>management at labor quarters are maintain, reduce the GHG emission, and prevention of open fire.</p> <p>Verified Environmental Aspect and Impact Identification dated 06/01/2022. Several sample activities were verified as below:</p> <ul style="list-style-type: none"> • Receiving, storage & issuing Fuel • Pest and disease census • Grass cutting • Welding • Receiving, storage & issuing fertilizer / chemical • Harvesting FFB 	
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>The developed environmental improvement plan to mitigate the negative impacts and to promote the positive ones were effectively implemented and monitored. Refer Environmental Aspect and Impact Identification dated 06/01/2022.</p>	Complied
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Verified environmental plan have been established including waste management action plan, continuous improvement environmental plan etc. Among action plan for promote positive impact were:</p> <ul style="list-style-type: none"> • Planting LCC at replanting area • Prohibiting manuring and herbicide spraying at any point of buffer zone area • Prohibited blanket spraying • Substitute practice chemical fertilizer to organic fertilizer application (EFB) • Practice 3R (Reduce, Recycle & Reuse) 	Complied

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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. Sample training regarding environment is Spraying Training dated 14/03/2022. The training brief about the environment aspect together with safety requirements. Estate also conducted the training on Schedule Waste Management dated 23/01/2022 and HCV Training on 04/08/2022.	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 07/12/2022.	Complied																																								
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																																											
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	Monthly records on energy consumption for non-renewable sources were kept and documented. Based on the records, the diesel consumption is as follows: <table border="1" data-bbox="1048 1050 1870 1388"> <thead> <tr> <th>Month</th> <th>Diesel</th> <th>Diesel/FFB</th> <th>Baseline</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>2580</td> <td>2.04</td> <td>2.74</td> </tr> <tr> <td>February</td> <td>2155</td> <td>1.87</td> <td>3.52</td> </tr> <tr> <td>March</td> <td>3114</td> <td>2.12</td> <td>3.08</td> </tr> <tr> <td>April</td> <td>2023</td> <td>1.98</td> <td>2.55</td> </tr> <tr> <td>May</td> <td>2788</td> <td>2.48</td> <td>2.55</td> </tr> <tr> <td>June</td> <td>4844</td> <td>2.79</td> <td>2.55</td> </tr> <tr> <td>July</td> <td>2336</td> <td>1.33</td> <td>2.31</td> </tr> <tr> <td>August</td> <td>2336</td> <td>1.04</td> <td>2.11</td> </tr> <tr> <td>September</td> <td>3225</td> <td>1.74</td> <td>2.06</td> </tr> </tbody> </table>	Month	Diesel	Diesel/FFB	Baseline	January	2580	2.04	2.74	February	2155	1.87	3.52	March	3114	2.12	3.08	April	2023	1.98	2.55	May	2788	2.48	2.55	June	4844	2.79	2.55	July	2336	1.33	2.31	August	2336	1.04	2.11	September	3225	1.74	2.06	Complied
Month	Diesel	Diesel/FFB	Baseline																																								
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Criterion / Indicator		Assessment Findings				Compliance
		October	3442	1.69	2.06	
		November	2980	1.77	2.31	
		December	3501	2.04	2.96	
		Total	35324	1.85	Ave: 2.5	
		The estate has established the baseline value at 2.5 liter/ FFB on yearly average. Monthly base line is available as per budgeted crops.				
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estimation for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel used by contractors, including all transport and machinery operations was available in the respective estate annual budgets.				Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	The estate has installed few solar lights around the main office and housing compound.				Complied
Criterion 4.5.3: Waste management and disposal						
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	All waste products and sources of pollution had been identified in Waste Management Action Plan Year 2022 for the estate. Based on the Waste Management Action Plan the following wastes and its sources were identified: Schedule waste <ul style="list-style-type: none"> • Use Lubricant / engine oil • Used filter • Empty herbicide container 				Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Used batteries, tyres & tubes Domestic waste <ul style="list-style-type: none"> • Rubbish • Recyclable waste • EFB • Re use empty container • Recyclable material 	
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: <ol style="list-style-type: none"> 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 2022 for the estate. Site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented. Segregation of wastes i.e. general wastes and scheduled wastes were verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes at the estate.	Complied
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 -	Sighted Schedule waste procedure dated 22/12/2014. Refer BEA SUS/SW/EQA(SW) has been established. Verified inventory and disposal record for schedule waste has been implemented. Inventory (Invt No: 0309D1089302H12023) Date: 31/01/2023 SW Generated: SW102, SW305, SW306, SW409, SW410 Disposal Date: 29/09/2022	OFI

Criterion / Indicator		Assessment Findings	Compliance
		<p>Consignment note: 2022092912NRCTK2</p> <p>SW: SW 410 – 0.07 mt SW 409 – 0.15 mt SW 305 – 0.20 mt</p> <p>All disposal was done through Pentas Flora (Kelantan) Sdn Bhd. The management can further improve the process of handling the Schedule Waste as per the Guidelines For Packaging, Labelling, and Storage Of Scheduled Waste In Malaysia. Thus OFI is raised.</p>	
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Lepan Kabu Estate conducted the Triple Rinsing of Empty Chemical Container Training “Latihan 3 Kali Pembilasan Bekas Racun dan Bahan Kimia” to all chemical handlers based on the guideline for used plastic pesticide container recycling program (UPPCR).</p> <p>Sampled the latest consignment note for disposal of chemical containers dated 29/09/2022 indicated 240L of Chemical Containers were disposed to Pentas Flora (Kelantan) Sdn Bhd.</p>	Complied
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>The management disposed domestic waste through recycling and at the disposed at Majlis Daerah Kuala Krai Utara (MDKKU). Verified as per letter MDKKU (KA) 12/96/Jld.7 (13) dated 30/01/2005.</p>	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>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 that pollute the environment. Refer section action plan on activity to promote positive impacts to the environment.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	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: <ul style="list-style-type: none"> a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. 	<p>Documented Water Management Plan Year 2022 inclusive of location; wastewaters produced; treatment/containment method; reuse/recycle/disposal method was sighted.</p> <ul style="list-style-type: none"> a. Water source from Syarikat Air Kelantan Sdn Bhd (AKSB). Assessment water usage and source supply was available in water management plan. There are 2 river that have connection with Lapan Kabu estate, Sg Lebir and Sg Pahi. b. The monitoring pf water quality was available for Sg Pahi and Sg Lebir. Refer water sampling report dated 25/10/2022 by Chemsil Air & water Sdn Bhd. Refer report number as below: Sungai Lebir: CAW/2210/122816/340594 Sungai Pahi: CAW/2210/122186 c. In Lapan Kabu Estate, there are optimize the water usage such as using water rain harvesting to reduce wastage. Boustead Plantations Berhad 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. d. Management already establish Protection of water courses and wetlands implemented as per established policy of slope and river 	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>buffer protection policy as specified in BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following:</p> <ol style="list-style-type: none"> 1. Environmental Management; 1.2. Biodiversity and HCV Management: <ul style="list-style-type: none"> - 1.2.1. Conservation of biodiversity by identifying and monitoring High Conservation Value (HCV) areas and complying with New Planting Procedure (NPP) as set forth by the Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO). - 1.2.2. Prohibit the construction of structures on natural waterways in accordance with the Irrigation Areas Act 1953 (Amendment 1989) and the Guidelines for: Panduan Melibatkan Sungai dan Rizab Sungai, Department of Irrigation and Drainage Malaysia. - 1.2.3. Preservation of natural water resources by developing and maintaining existing river buffer areas with crops in accordance with Department of Drainage and Drainage guidelines. - 1.2.4. Educate employees and stakeholders through awareness programs on protecting the environment and conserving biodiversity as a shared responsibility. e. Verified through site visit, there is no removal of natural vegetation in riparian areas. The riparian areas at natural rivers and forest were maintained and installed with signage on prohibiting illegal activities there. f. There is no bore well was being used in estate. 	

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Criterion / Indicator		Assessment Findings	Compliance																		
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	Visit to estate field confirmed no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	Complied																		
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). - Minor compliance -	The estate practice water harvesting at strategic locations. They 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. The record of rain harvesting available in estate.	Complied																		
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value																					
4.5.6.1	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (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. - Major compliance -	<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 35.42 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"> <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> <tr> <td>Teak Area</td> <td>-</td> <td>10.40</td> <td>10.40</td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td>35.42</td> </tr> </tbody> </table> <p>Latest awareness training related HCV was conducted on 04/08/2022.</p>	HCVMA	Type of Land Cover	Area (Ha)	Total Area (Ha)	HCV 4	Riparian Forest	9.25	25.02	River buffer	15.77	Teak Area	-	10.40	10.40	Total			35.42	Complied
HCVMA	Type of Land Cover	Area (Ha)	Total Area (Ha)																		
HCV 4	Riparian Forest	9.25	25.02																		
	River buffer	15.77																			
Teak Area	-	10.40	10.40																		
Total			35.42																		

Criterion / Indicator		Assessment Findings	Compliance
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>Verified High Conservation Value (HCV 4) Management Plan for the year 2023. Monitoring on HCV has been conducted. Among activities of monitoring were:</p> <ol style="list-style-type: none"> 1. Maintain Riparian buffer zone 2. Conduct water sampling 3. Upkeep of signage 4. Continuously awareness training. 5. Prohibition of application of herbicide/insecticide which classified as highly toxic chemical. <p>Management has conducted awareness training related HCV to their workers. Refer Training record dated 04/08/2022.</p> <p>Signage on Discouraging any illegal or inappropriate hunting, fishing or collecting activities has been installed at the strategic place to create awareness among workers and community.</p>	Complied
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>Verified High Conservation Value (HCV 4) Management Plan for the year 2023. Among objective in the plan were:</p> <ul style="list-style-type: none"> • Basic ecosystem service in critical situation – including flood regulation • Waterways quality and health monitoring • Riparian zone establishment programme • Slopes erosion control 	Complied
Criterion 4.5.7: Zero burning practices			

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Criterion / Indicator		Assessment Findings	Compliance
4.5.7.1	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. - Major compliance -	Stated in the BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Office. Refer section Environmental Management "Enforcement of a zero-burning policy in all our business units". The method of replanting activities in the Lapan Kabu Estate was according to Best Management Practices which are felling and chipping, without burning the tree.	Complied
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. - Major compliance -	There are no areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. Thus, this indicator was not applicable.	N/A
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	No controlled burning noted based on the records on the land clearing and felling for the replanting at sampled estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction. Thus, this indicator was not applicable.	N/A
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	All the previous palms shall be felled, chipped, and windrowed as stated in the Agriculture Manual. Based on site visit at several fields at the sampled estates, there was no trace of open burning observed.	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.	Estates operations are guided by the Oil Palm Circular which includes Operational procedures. Latest revised on 29/06/2021. Refer Revised	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>Oil Palm Circular (OPC) No. M2/RE.3. Sample of operation procedure were: -</p> <ol style="list-style-type: none"> 1. Organisation of Planting 2. Manuring application 3. Rat control in oil palm 4. Harvesting 5. Soil / water conservation 6. Establishment of Legumes Cover Crops 7. Land Preparation and Construction of In-Field Mechanization Paths 8. Pest and Disease Management in The Nursery 9. Mulching 10. Replanting <p>In additional, Estate also guided by SWP (Safe Working Procedure) that specifically related to safety and environment which are: -</p> <ol style="list-style-type: none"> 1. Spraying 2. Manuring 3. Compactor 4. Backhoe 5. Thinning. <p>Based on site visit, all operations were conducted accordingly to their guidelines.</p>	
<p>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</p>	<p>Management already establish Protection of water courses and wetlands implemented as per established policy of slope and river buffer protection policy BPB Sustainability Policy dated 12/07/2021 signed by Chief Executive Officer as following:</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance				
	contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	1. Environmental Management; 1.4. Steep slope Management: - 1.4.1. Practice of no new development or replanting on steep slope of more than 25°, unless approved by state government, in line with RSPO requirement. - 1.4.2. Conservation and maintenance of ground cover crops on slopes and steep slopes of more than 25 degrees (25°). - 1.4.3. Developing plans for the management of areas which are unsuitable for oil palm replanting. There is no planting of Oil Palm on sloping land.					
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	All fields are marked and identified. Information like year planting (field no) and the total hectare is shown in all markers. There are both stencilled at the palm trees and displayed in signage at the boundary/corners of every fields.	Complied				
Criterion 4.6.2: Economic and financial viability plan							
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Lepan Kabu Estate has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. This budget consists of area statement, replanting cost, FFB budget, capital expenditures, vehicle and heavy plant running schedule, upkeep and cultivation, harvesting, nursery, production cost etc. Budget 2023 and 5-years planning horizon (projections 2023-2027) 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.	The revised replanting program was established which was updated. The replanting programme sighted as follow: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Replanting (Ha)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>122.40</td> </tr> </tbody> </table>	Year	Replanting (Ha)	2023	122.40	Complied
Year	Replanting (Ha)						
2023	122.40						

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Criterion / Indicator		Assessment Findings		Compliance
	- Major compliance -	2024	130.50	
		2025	117.70	
		2026	126.10	
		2027	70.50	
4.6.2.3	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production: cost per tonne of FFB d) Price forecast e) Financial indicators: cost benefit, discounted cash flow, return on investment <p style="text-align: center;">- Major compliance -</p>	<p>Lepan Kabu Estate has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. This budget consists of area statement, replanting cost, FFB budget such as price per tonne and forecast, capital expenditures, vehicle and heavy plant running schedule, upkeep and cultivation, harvesting, nursery, production cost etc. Budget 2023- and 5-years planning horizon (projections 2023-2027) was verified during the audit.</p>		Complied
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p style="text-align: center;">- Major compliance -</p>	<p>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. Sighted the monthly progress report is available.</p>		Complied
Criterion 4.6.3: Transparent and fair price dealing				
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p style="text-align: center;">- Major compliance -</p>	<p>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 Boustead Plantations Berhad - Lepan Kabu Estate with Kuala Lumpur Kepong Berhad – Kuala Pertang Palm Oil</p>		Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Mill, dated 14/02/2018. The details of FFB Pricing, Payment Terms and Termination clause were details in the agreement.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	The payment of FFB were conducted as per timely manner agreed during in the FFB Sales and Purchase Agreement dated 14/02/2018. Sighted the invoice and payment voucher and memo for the month of January 2023.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Sampled contract agreements were included with a special clause on MSPO compliance required for the contractor upon award. Refer section 7. "The company was certified and fully comply with all criteria and principle stated under the RSPO/MSPO. In case of that, the contractor should together understand and strictly follow all the instruction of procedures name under the principle of RPO/MSPO".	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. Agreement was signed by both parties. Sample agreement as below; - <u>Contractors: Ax xx xxxx Enterprise</u> Date of start: 01/01/2023 Type of work: Replanting Contract No: LKE/RPLNT-01/2023 Payment Invoice is sighted, (Inv No: A3407423001, Date:31/01/2023)	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 contractors have agreed for BSI auditors to verify the assessment through a physical inspection if required. Refer section XXV. "The contractor shall comply with the OSHA, MSPO and any other relevant enactment ...".	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 issue the working chit for every work done on daily basis as stated in the contract agreement. During the month end, the contractor will issue the tax invoice to the company for all the work done to proceed for payment.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia’s National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A

Criterion / Indicator		Assessment Findings	Compliance
- Major compliance -			
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-	Not Applicable, as there is no new planting in Lepad Kabu Estate.	N/A

Criterion / Indicator		Assessment Findings	Compliance
	term suitability of the land for oil palm cultivation. - Major compliance -		
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A

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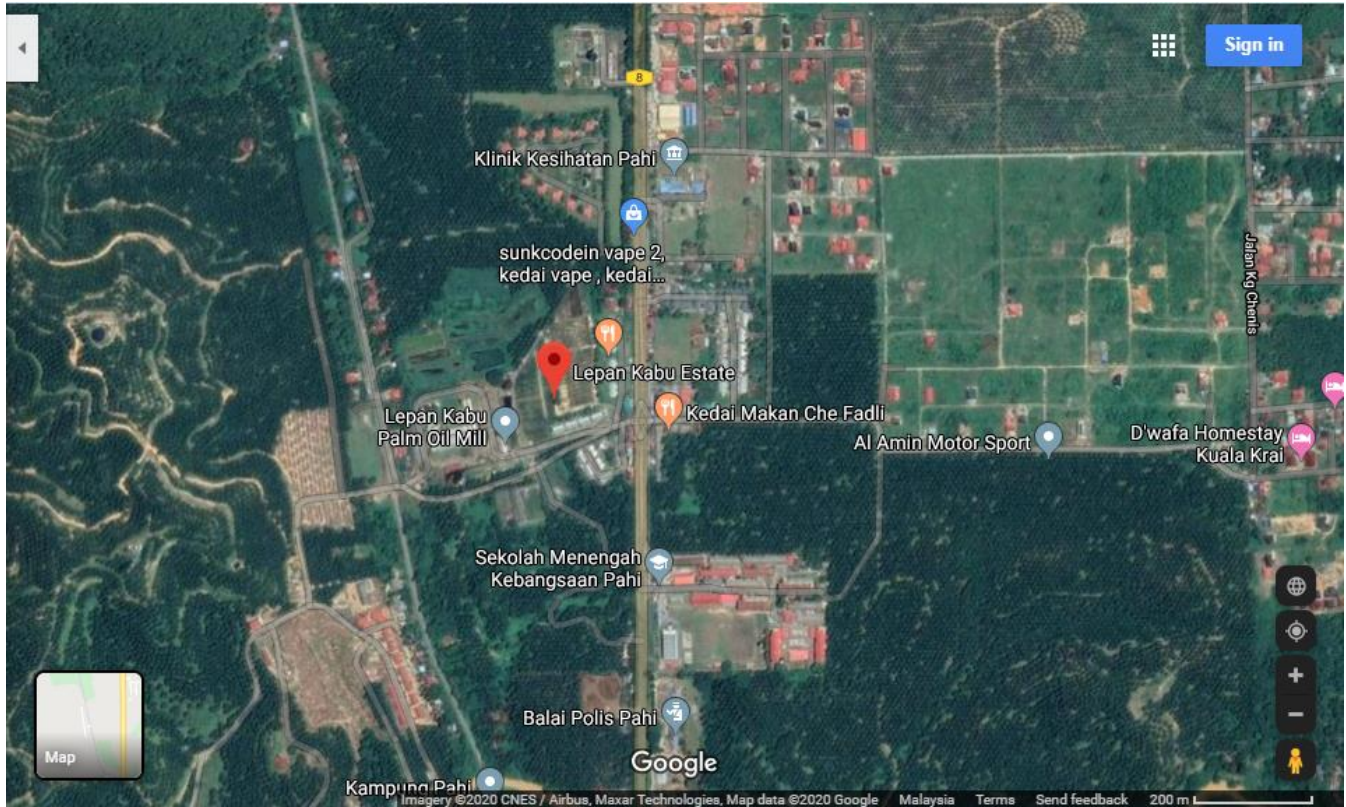
Criterion / Indicator		Assessment Findings	Compliance
	indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -		
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A

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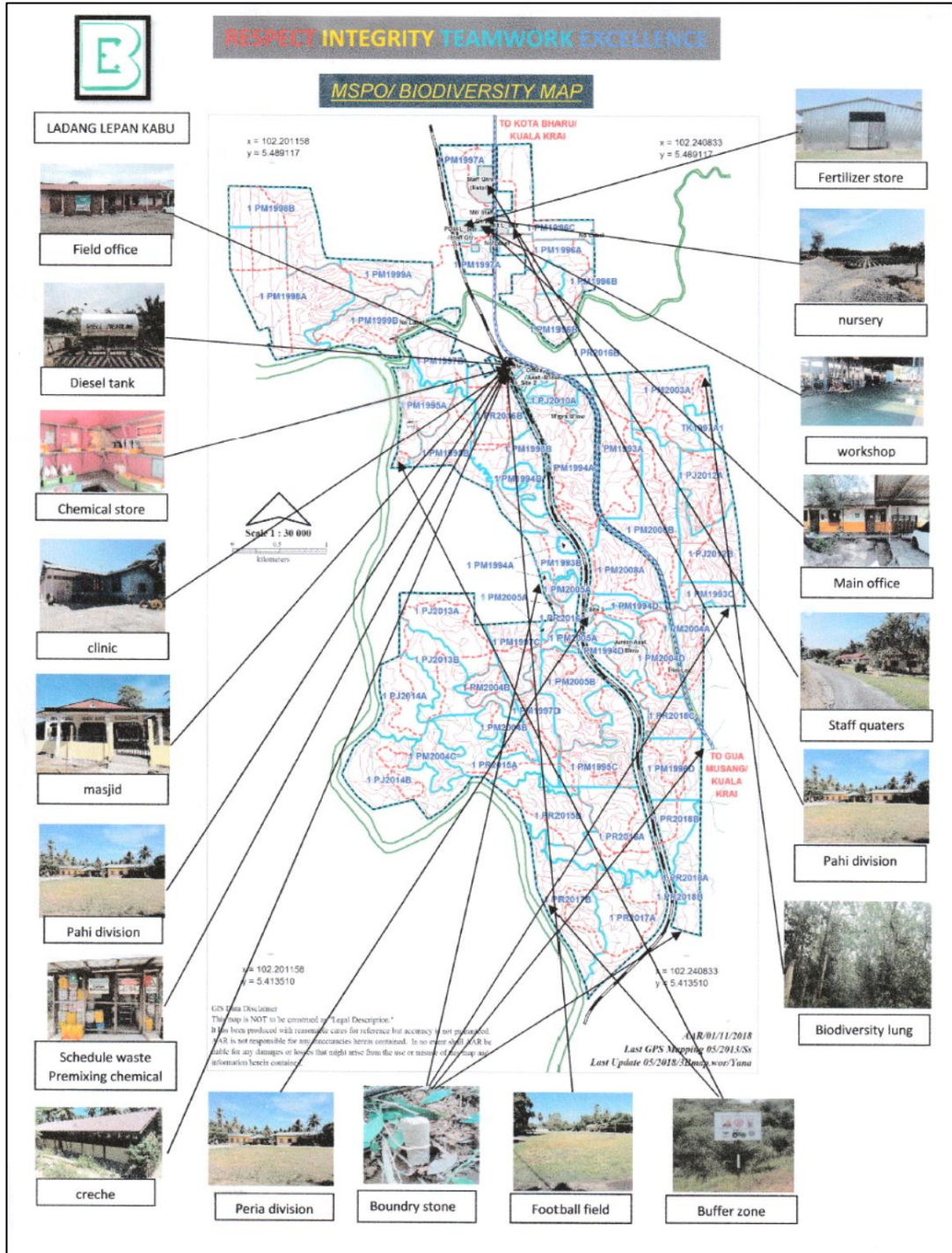
Criterion / Indicator		Assessment Findings	Compliance
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	Not Applicable, as there is no new planting in Lengan Kabu Estate.	N/A

Appendix C: Location and Field Map

Location:



Field map:



Appendix D: 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