

**MALAYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report**

- Initial Assessment
- Annual Surveillance Assessment (2)
- Recertification Assessment (Choose an item.)
- Extension of Scope

T.K.S. RUBBER ESTATE
Client Company (HQ) Address: 17A, Kampong Bahru, 08000 Sungai Petani, Kedah, Malaysia
Certification Unit: T.K.S. Rubber Estate
Date of Final Report: 25/07/2023

Report prepared by:
Mohd Razaleigh bin Mohamad (Lead Auditor)

Report Number: 3717774

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	T.K.S. Rubber Estate		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	T.K.S. Rubber Estate	618505102000	30/06/2023
Address	Lot 3307 & 2985, Chengai Mukim Sungai Petani ,08000 Kuala Muda, Kedah, Malaysia		
Management Representative	Rajinder Singh A/L Surat Singh		
Website	N/A	E-mail	raj.x.dhillon@outlook.com
Telephone	012-4203309	Facsimile	N/A

1.2 Certification Information			
Certificate Number	MSPO 724539	Certificate Start Date	27/04/2021
Date of First Certification	27/04/2021	Certificate Expiry Date	26/04/2026
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	The objective of the assessment was to conduct an annual surveillance assessment 2 of the existing certification to ensure the elements of the proposed scope of registration and the requirements of the management standard are effectively addressed by the organization's management system.		
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	27-28/07/2020		
Stage 2 / Initial Assessment Visit Date (IAV)	26-27/10/2020		
Continuous Assessment Visit Date (CAV) 1	11-12/03/2022		
Continuous Assessment Visit Date (CAV) 2	21/03/2023		
Continuous Assessment Visit Date (CAV) 3	-		
Continuous Assessment Visit Date (CAV) 4	-		

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

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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
T.K.S. Rubber Estate	Lot 3307 & 2985, Chengai Mukim Sungai Petani, 08000 Kuala Muda, Kedah, Malaysia	5° 38' 10.55" N	100° 35' 11.83" E

1.5 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
T.K.S. Rubber Estate	70.50	0.00	1.60	72.10	97.80
Total (ha)	70.50	0.00	1.60	72.10	

1.6 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
T.K.S. Rubber Estate	-	22.70	47.80	-	-	70.50	-
Total (ha)	-	22.70	47.80	-	-	70.50	-

1.7 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Apr 22 - Mar 23)	Actual (Mar 22 - Feb 23)	Forecast (Apr 23 - Mar 24)
T.K.S. Rubber Estate	1,200.00	1,505.23	1,383.00
Total (mt)	1,200.00	1,505.23	1,383.00

1.8 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Apr 22 - Mar 23)	Actual (Mar 22 - Feb 23)	Forecast (Apr 23 - Mar 24)
Nil	-	-	-
Total (mt)	-	-	-

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1.9 Certified Tonnage			
Mill Capacity: N/A SCC Model: N/A	Estimated (Apr 22 - Mar 23)	Actual (Mar 22 - Feb 23)	Forecast (Apr 23 - Mar 24)
	FFB	FFB	FFB
	1,200.00	1,505.23	1,383.00
	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	-	-	-	-	-

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
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 on 21/03/2023. The audit programme is included as Section 2.4. The approach to the audit was to treat the T.K.S. Rubber 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 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.

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

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.

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)
T.K.S. Rubber Estate	✓	✓	✓	✓	✓

Tentative Date of Next Visit: March 21, 2024

Total No. of Mandays: 2

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>
Mohd Razaleigh bin Mohamad (MRM)	Team Leader	<p>Education: Holds a Bachelor Degree in Plantation Management and Agrotechnology, University Technology Mara (UiTM).</p> <p>Work Experience: He has 5 years' experience in Oil Palm Estate Management with Tradewinds Plantation Berhad. The last position held was Senior Assistant Manager. He has more than 4 years of experience in Third Party Certification Audit with Control Union (M) Sdn Bhd for RSPO P&C, MSPO P&C and GLOBALG.A.P. IFA Fruits and Vegetables. Qualified as RSPO Lead Auditor and approved to conduct Environmental and Social elements.</p> <p>Training attended: He has completed ISO 9001:2015 Lead Auditor Course, ISO 14001:2015 Lead Auditor Course, ISO 45001:2018 Lead Auditor Course, Endorsed RSPO P&C Lead Auditor Course, Endorsed MSPO P&C Lead Auditor Course, Social Accountability SA8000 Auditor Course, RSPO Independent Smallholder (IHS) Auditor Training.</p> <p>Aspect covered in this audit: During this assessment, he assessed on the aspects of legal, social, and stakeholder engagement.</p> <p>Language proficiency: Fluent in Bahasa Malaysia and English.</p>
Mohamed Hidhir bin Zainal Abidin (MHZA)	Team Member	<p>Education: Bachelor's Degree in Chemical Engineering, graduated from National University of Malaysia in 2006.</p> <p>Work Experience: 10 years working and auditing experience in palm oil industry specifically on palm oil milling for 5 years.</p> <p>Training attended: ISO 9001, ISO 14001, OHSAS 18001, MSPO and RSPO P&C and SCCS. Completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015.</p>

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		<p>Attended HCV and HCS requirements in Oil Palm Plantation in October and November 2019.</p> <p>Aspect covered in this audit: Economic management plan, mill best practices, estate best practices, natural and biodiversity conservation, waste management, GHG and HCV, Supply Chain, General Custody of Chain, Rules on Market Communications & Claims.</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
	Nil	

2.4 Assessment Plan

The assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	(MRM)	(MHZA)
20/03/2023 (Monday)		Auditor travel to Sungai Petani. Check in Purest Hotel, Sungai Petani	√	√
21/03/2023 (Tuesday)	0900 - 0915	<p>Opening meeting</p> <ul style="list-style-type: none"> Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan 	√	√
	0915 - 1300	<p>T.K.S. Rubber Estate</p> <p>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, Scheduled wastes management, worker housing, clinic, landfill, etc.</p>	√	√
	1300 - 1400	Lunch		
	1400 - 1630	<p>T.K.S. Rubber Estate</p> <p>Document review P1 – P7 (MSPO Part 3): General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of</p>	√	√

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Date	Time	Subjects	(MRM)	(MHZA)
		communication with stakeholder/workers representatives, new planting, CIP and implementation etc.		
	1600 - 1630	Interim closing meeting	√	√
	1630 - 1700	Preparation of closing meeting	√	√
	1700 - 1730	Closing meeting	√	√
22/03/2023 (Wednesday)		Auditor travel back home	√	√

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 & Zero (0) Minor nonconformities and Three (3) OFI raised. The T.K.S. Rubber Estate Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the Corrective Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
NCR Ref #:	2324117-202303-M1	Issue Date:	21/03/2023
Due Date:	21/06/2023	Date of Closure:	15/05/2023
Area/Process:	T.K.S. Rubber Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.6.1.1 Major
Requirements:	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.		
Statement of Nonconformity:	Some procedure is not available during the audit.		
Objective Evidence:	There is no standard operating procedure has been established for some operations Sample has been taken for fertilizers application and chemical applications.		
Corrections:	The management will find the SOPs related and to ensure it has been properly documented and filling.		
Root cause analysis:	T.K.S. has developed SOPs on good practices covering all operations in the estate. The nonconformity mentioned above refers to these two documents: i. (807 - TKS-SOP-IU-P6C1/FERT, Rev.00) ii. (808 - TKS-SOP-IU-P6C1/SPRY, Rev.00) Unfortunately, both appear to have been mislaid and as such could not be verified during the audit.		

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Corrective Actions:	Internal auditor to identify that all related SOPs is available during the internal audit as per requirement in the MSPO standard.
Assessment Conclusion:	Correction and corrective action have been identified sufficient to close the NC as per evidence provided.

Opportunity For Improvement	
Ref:	2324117-202303-I1 Clause: MSPO 2530 Part 3: 4.1.2.1
Area/Process:	T.K.S. Rubber Estate
Objective Evidence:	Internal audit procedure can be further improved to include the frequency of the internal audit.

Opportunity For Improvement	
Ref:	2324117-202303-I2 Clause: MSPO 2530 Part 3: 4.2.2.1
Area/Process:	T.K.S. Rubber Estate
Objective Evidence:	Consultation and communication procedure can be further improved to include clear process, mechanism and channel of communication in the procedure.

Opportunity For Improvement	
Ref:	2324117-202303-I3 Clause: MSPO P2530 Part 3: 4.6.4.2
Area/Process:	T.K.S. Rubber Estate
Objective Evidence:	Contract agreement between T.K.S. Rubber Estate and Rxxxxxx sighted has been signed by both parties. Stated in the agreement that the contractor may subcontract with third parties but only with the owner`s express consent. It can be further improved to detail up in the contract what is owner`s express consent base on the MSPO requirement for hiring sub-contractor.

Noteworthy Positive Comments	
1	Good cooperation with the sustainability and management team.
2	Good retrieval of records and documents
3	Maturity of the system can be seen during assessment

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	Nil	Issue Date:	N/A
Due Date:	N/A	Date of Closure:	N/A
Area/Process:	N/A	Clause & Category: (Major / Minor)	MSPO Part __: N/A
Clause:	N/A		

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Requirements:	N/A
Statement of Nonconformity:	N/A
Objective Evidence:	N/A
Corrections:	N/A
Root cause analysis:	N/A
Corrective Actions:	N/A
Assessment Conclusion:	N/A
Verification Statement:	N/A

Opportunity For Improvement			
Ref:	2177247-202203-I1	Clause:	MSPO 2530 Part 3: 4.4.1.1
Area/Process:	T.K.S. Rubber Estate		
Objective Evidence:	Social Impact Assessment action plan has yet to include and evaluate the relevant social aspect based on results of consultation for improvement.		
Verification Statement:	As per latest social impact assessment that has been conducted on 30/12/2022 in document 280-TKS_REP-IU-P4C1/SIA, the assessor has evaluated and include relevant social aspect as per results of consultations with stakeholders. Sighted in the report, significant outcome for both positive/negative has been identified and aspect has been included.		

Opportunity For Improvement			
Ref:	22177247-202203-I1	Clause:	MSPO 2530 Part 3: 4.4.1.1
Area/Process:	T.K.S. Rubber Estate		
Objective Evidence:	The relevant legal requirement has yet to be updated in the legal register for improvement.		
Verification Statement:	As per legal register established in the document 250-TKS-LIST-IU-P3C1/LRR, there is evidence that relevant legal requirement. Latest amendment done and included Employment act 1955 revision 2023.		

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
1977764-202010-M1	4.4.4.2 Part 3 - Major	27/10/2020	Closed on 26/1/2021
1977764-202010-M2	4.5.6.1 Part 3 - Major	27/10/2020	Closed on 26/1/2021
1977764-202010-M3	4.5.6.2 Part 3 - Major	27/10/2020	Closed on 26/1/2021
1977764-202010-M4	4.5.6.3 Part 3 - Major	27/10/2020	Closed on 26/1/2021
1977764-202010-N1	4.4.5.4 Part 3 - Minor	27/10/2020	Closed on 12/3/2022

2324117-202303-M1	4.6.1.1 Part 3 - Major	21/03/2023	Closed on 12/5/2023
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3.5 Issues Raised by Stakeholders

IS #	Description
1	<p>Issues: MPOB Sungai Petani</p> <p>Stakeholders has been contacted through phone. As respond, T.K.S. Rubber Estate has their own legal MPOB licences. There are no issues of land base on verification during application of the licences. Good relationship has been maintained and MPOB aware that T.K.S. Rubber Estate already certified for MSP0 Part 3. Any communication and consultation will be done through the estate owner, Mr Raj and will be responded accordingly.</p>
	<p>Management Responses:</p> <p>The management noted with the respond and will keep good relationship with MPOB and to ensure all legal requirement related to MPOB will be complied.</p>
	<p>Audit Team Findings:</p> <p>No further verification required.</p>
2	<p>Issues: Taclico Company Sdn Bhd (mill)</p> <p>Stakeholders has been contacted through phone. T.K.S. Rubber Estate has supplying FFB to Taclico Company Sdn Bhd who is FFB processing mill that received FFB from various FFB supplier. There are no issues of FFB quality from T.K.S. Rubber Estate and good relationship has been maintained between both parties. Payment will be made on monthly basis and stakeholders confirmed that they have been socialized on the estate policy and communication procedure.</p>
	<p>Management Responses:</p> <p>Management is aware with FFB quality requirement and in line with MPOB grading standard. The management will ensure to maintain good FFB quality and good relationship with stakeholders.</p>
	<p>Audit Team Findings:</p> <p>No further verification required.</p>
3	<p>Issues: S Gxxxxxx Exxxxxx (workers' contractor)</p> <p>There are 3 contractors' workers that doing field works in the estate such as harvesting, fertilizers application and spraying. As per interview, it has been confirmed that all workers have sign employment contract with the contractors and has been paid above than minimum wages. There are no issues of discrimination where all workers have been treated equally and benefits has been paid according as per employment contract. All workers also can demonstrate their understanding on the policies and procedure that has been established and who need to be contacted if there are any issues.</p>
	<p>Management Responses:</p> <p>The management noted with the response will ensure that all contractors' workers will be paid accordingly as per legal requirement and employment contract.</p>
	<p>Audit Team Findings:</p> <p>No further verification required.</p>

3.6 List of Stakeholders Contacted

Government Officer: MPOB Sungai Petani	Community/neighbouring village: -
Suppliers/Contractors/Vendors: S S Gxxxxxx Exxxxxx (workers' contractor) Taclico Company Sdn Bhd (mill)	Worker's Representative/Gender Committee: -

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment T.K.S. Rubber Estate Certification Unit complies with the MS 2530-3:2013 . It is recommended that the certification of T.K.S. Rubber Estate Certification Unit is continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Rajinder Singh A/L Surat Singh	Name: Mohd Razaleigh bin Mohamad
Company name: T.K.S. Rubber Estate	Company name: BSI Services Malaysia Sdn Bhd
Title: Owner / Manager	Title: Lead Auditor
Signature: 	Signature: 
Date: 10/07/2023	Date: 21/03/2023

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 -	Policy for implementation of the policy has been established and documented in the document title “Polisi Kelestarian” reference number 010-Ref MSPO 4.1.1.1 that has been signed by chief executive officer, Mr Rajinder Singh A/L Surat Singh on 01/02/2022.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	Stated in the policy for continual improvement where the management for T.K.S. Rubber Estate is committed to: a. To comply with requirement of MSPO b. Continuous improvement in the estate operations. c. To conduct internal/ external audit against the MSPO requirement d. To set social and safety standard by providing safe working environment and to improve workers/ staff/ contractor workers social standard.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	As per interview with the management, internal audit will be conducted annually prior to the external audit. Sighted the internal audit report for audit that has been done on 22/01/2022 by Mr Ratina A/L Sinatmaby. Internal audit has been done using the MSPO Part 3 checklist and has been fully utilised to determine the strong and weak	OFI

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Criterion / Indicator		Assessment Findings	Compliance
		<p>points and potential area for further improvement.</p> <p><u>OFI</u></p> <p>Internal audit procedure can be further improved to include the frequency of the internal audit.</p> <p>Notice for internal audit/ audit plan should be documented as per SOP.</p>	
4.1.2.2	<p>The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.</p> <p>- Major compliance -</p>	<p>Internal audit procedure has been established and documented in the document title "Internal audit procedure" reference number TKS-SOP-IU-P1C2/IA dated 01/02/2020 revision 00 prepared by Mr Ratinavel A/L Sinatamby and approved by Mr Rajinder Singh A/L Surat Singh.</p> <p>Internal audit report has been made available and evaluated based on the internal audit report documented in the document TKS-REC-IU-P1C2/03 title "Audit Summary Report" which the internal audit has been conducted by Mr Ratina A/L Sinatmaby on 22/01/2022. There are no nonconformities has been raised during the audit.</p>	Complied
4.1.2.3	<p>Report shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>Internal audit report has been made available and evaluated based on the internal audit report documented in the document TKS-REC-IU-P1C2/03 title "Audit Summary Report" which the internal audit has been conducted by Mr Ratina A/L Sinatmaby on 22/01/2022. There are no nonconformities has been raised during the audit.</p>	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>Management review procedure has been documented in the document title "Management review procedure" reference number TKS-SOP-IU-P1C3/MRP dated 01/02/2020 prepared by Mr Ratinavel A/L Sinatamby and approved by Mr Rajinder Singh A/L Surat Singh. Stated in the procedure that management review needs to be conducted by the estate manager as per certain conditions which are:</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>a. After the internal audit</p> <p>b. Prior to the external audit by certification bodies</p> <p>c. At least every 12 months.</p> <p>Notice of management review meeting sighted dated on 01/02/2023 for meeting that conducted on 13/02/2023 by Mr Ratinavel A/L Sinatamby and minutes meeting sighted in the document reference.</p> <p>Minutes of meeting/MRP with attendance of 3 persons (Mr Rajinder Singh, Mr Ratinavel A/L Sinatamby and Mr Gunasegaran A/L Suria Narayanan). Issues that have been discussed during the management review meeting such as internal audit findings, compliance to legal requirement, safety and social issues and others.</p>	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>Continual improvement plan has been established and documented in the document reference TKS-DOC_IU-P1C4/CIP and updated on 01/01/2023. The management plan covers and considered environmental and social impacts as well as any form of technologies and systems.</p> <p>Stated in the continuous improvement plan that management has plan to:</p> <p>a. Constant monitoring on wildlife. Prohibition of hunting in the estate area.</p> <p>b. OSH-C and CepSWaM competency- Mr Rajinder attended training on both OSH-C and CepSWaM and the management is ready to sponsor any employee that interested in any knowledge or competency development.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>c. Improving the traceability system for FFB deliver to the POM which to include the delivery order number in the weighbridge tickets.</p> <p>d. CSR activities. Identification of poor family surrounding the estate has been done by management and food basket has been provided to the family during the Diwali celebration 2023</p> <p>e. Implementation of new technology/mechanization. Assessment of the any potential usage of new technologies has been done and usage of mechanical cutter and drone is one of the options. However, there is several obstacles that need to be faced by the management and in still in the process of adoption.</p>	
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>	<p>Adaptation of mechanized operation is still in progress to be completed by phases. For upkeep and maintenance, day to day operation is still manually handle by workers. Drone will be introduced for mapping and upkeeping in future if there is necessity for doing so.</p>	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>	<p>Where introduction of new machines and new work method, all level of employees will be trained to handle /implement the new techniques and work changes. Monitoring is made by the Estate Managers throughout the on-the-job training and familiarization.</p>	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</p>	<p>As per verification, there is no information request by the any stakeholders has been received by the management. However, mechanism for any request has been established and documented in the document title "Stakeholder-communication and consultation</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	disclosure that could result in negative environmental or social outcomes. - Major compliance -	procedure” document number TKS-SOP-IU-P2C2/SCCP. It has been verified that all document has been established in English, and has been stated in the procedure that any confidential document can be requested but within approval of the management.	
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	As per verification, there is evidence that document has been made publicly available upon request and list of documents has been documented in the document “Document master list” which all the document has been categorized into category 1, 2 and 3. Category 1 is for publicly available document, document 2 is for T.K.S. Rubber Estate workers only and category 3 for document that can be access upon approval of management T.K.S. Rubber Estate.	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	Procedure for Stakeholder Consultation and Communication Procedure, TKS-SOP-IU-P2C2/SCCP, rev: 00 dated 01/02/20 is referred to related to consultation and communication with the relevant stakeholders prepared by Mr Ratinavel A/L Sinatamby and approved by Mr Rajinder Singh A/L Surat Singh. <u>OFI</u> Consultation and communication procedure can be further improved to include clear process, mechanism and channel of communication in the procedure.	OFI
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	The person in charge for complaints and grievance was the Estate Manager, MR Rajinder Singh A/L Surat Singh as per appointment letter dated 01/10/201 where among the responsibility and authority covered:	Complied

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		1. Ensuring that processes need for the complaints and grievances system are established implemented and maintained. 2. Liason with internal and external parties on matters to the complaints and grievances system.	
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 register is available including the internal and external such as authority MPOB, Labour Department, Police Station, contractors, suppliers and workers as at 1/2/20. Refer to document, TKS-LIST-IU-P2C2/S2 rev: 0 dated 1/2/20. There are no changes of stakeholders since then it the management decided to use the same document updated in 2020.	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 -	T.K.S. Rubber Estate has the Traceability Procedure (Doc No: TKSSOP-IU-P2C3/TP rev:2 dated 01/07/2022. In the procedure has clearly outline the process and procedure for traceability starting from FFB harvesting until deliver to POM. Document that applicable is D.O. weighbridge tickets.	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspection of the traceability will be done on annual basis during the internal audit. Latest internal audit has been conducted on 22/01/2022. There are no nonconformities has been raised during the audit.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The person in charge for traceability system was the Estate Manager, MR Rajinder Singh A/L Surat Singh as per appointment letter dated 01/10/2021 where among the responsibility and authority is to ensure that effective implementation of traceability systems that has been established.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.3.4 Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -</p>	<p>Records of harvesting and sales can be sighted in the document Production breakdown which has clearly mentioned all the details of traceability include date of harvesting/sales, field number, weighbridge ticket numbers, vehicle registered number, tonnage. Sample has been taken for April 2022, June 2022 and September 2022.</p> <p>Date: 04/04/2022 Field: 03 W/B tickets number: FFB22004200W Tonnage: 6.31mt</p> <p>Date: 29/09/2022 Field: 03 W/B tickets number: FFB22013896W Tonnage: 5.31mt</p> <p>Date: 16/06/2022 Field: 04 W/B tickets number: FFB22008087W Tonnage: 6.11mt</p>	<p>Complied</p>
<p>4.3 Principle 3: Compliance to legal requirements</p>		
<p>Criterion 4.3.1 – Regulatory requirements</p>		

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	As per verification, T.K.S. Rubber estate complied with legal requirement and sample has been taken as per below: 1) MPOB license no. 618505102000 registered under T.K.S. Rubber Estate (valid until 01/07/22-30/06/23) 2) Trading License – Perakuan Pembaharuan Pendaftaran, Borang E (Kaedah 13) Reg. no. 000012663-A valid until 29/5/2023. It also has been further verified during the site visit and confirmed that there are no issues of legal requirement compliance.	Complied
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	List of applicable laws and regulations has been documented in the document title “Legal requirement register” document number TKS-LIST-IU-P3C1/LRR which has listed all applicable law and regulation including licenses and permits.	Complied
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 -	There is evidence that all legal requirement has been updated in the register which latest update is to include Employment Act 1955 revision 01/01/2023.	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 -	The person in charge for legal compliance was the Estate Manager, MR Rajinder Singh A/L Surat Singh as per appointment letter dated 01/10/2021 where among the responsibility and authority is to ensure that compliance of legal requirement.	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 usage of all land titles area for agriculture purposes and can be sighted based on the land title as detail in indicator 4.3.2.2 and no land encroachment occur.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	There are no changes compare to last year audit where the estate lands were fully owned by T.K.S. Rubber. a) HK no. 43XX, District: Kuala Muda, Lot no. 3307, Hectare: 7.57019 ha, land use type: agriculture b) HK no. 339XX, District: Kuala Muda, Lot no. 2985, Hectare: 64.5125 ha, land use type: agriculture	Complied
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Although only some of the boundary stones were managed to be found by the company, the demarcation of boundaries at the visited estates using concrete pole painted with red and white was obvious, especially at the boundaries with third parties. Physical boundary such as trenches were also maintained.	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 -	So far there has no issue on land dispute at the visited estates and verified through stakeholder’s consultation and documentation of land ownership.	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes on ownership and customary rights. Thus, this indicator is not applicable.	N/A
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes on ownership and customary rights. Thus, this indicator is not applicable.	N/A

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Criterion / Indicator		Assessment Findings	Compliance
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. Interview with the surrounding communities and stakeholders confirm no disputes on ownership and customary rights. Thus, this indicator is not applicable.	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 impact assessment has been conducted and documented in the document Social impact assessment report document number TKS-REP-IU-P4C1/SIA dated 30/12/2022 prepared by Mr Ratinavel A/L Sinatamby. As per assessment report, both negative and positive finding has been identified and consultation has been done as part of information collection. There is no impact for surrounding committee where impact identified on contractor and contractors' workers. Management plan has been established for the impact identified and documented in the same document of the report.	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. - Major compliance -	T.K.S. Rubber Estate has established a Stakeholder complaints and grievances/feedback procedure, TKS-SOP-IU-P4C2/SCG, rev: 0 dated 01/02/2020 prepared by Mr Ratinavel A/L Sinatamby and approved by Mr Rajinder Singh A/L Surat Singh. Any complaints can be lodged through complaint box, email or in writing or reported to supervisor/manager directly. The procedure has briefed to the internal workers and external stakeholders.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 -	As per stated in the procedure, that the management need to investigate any complaint/grievance received within 14 days and if it relevant, respond to the complainant need to be done within 3 days and the management need to discuss proposed action/solution within 7 days and implementation of the corrective action need to be done within 30 days and align with internal procedure KWPSB-PRO-P4C2/CAP.	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 form will be used for receiving any complaints. As to date, no complaints/grievance reported.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	As per interview with the contractors' workers and surrounding communities, there is evidence that they can demonstrate their understanding on the complaint procedure where it has communicated to them.	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 -	Complaint form will be used for receiving any complaints. As to date, no complaints/grievance reported.	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 -	CSR sighted that has been done by T.K.S. Rubber Estate as follows: a. Donation RM2,000 to Sri Maha Marimamman Alayam temple b. Donations to SJK (T) Palanisamy to buy football kit for football team	Complied

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>T.K.S. Rubber Estate has established the OSH Policy which was signed by the Managing Director dated 01/02/20. OSH plan sighted in the document TKS-DOC-IU-P4C4/OSH dated 01/02/2020 prepared by Mr Ratinaivel A/L Sinatamby and approved by Mr Rajinder Singh A/L Surat Singh.</p> <p>In the OSH plan has included responsibilities as OSH PIC, OSH training and awareness, OSH monitoring and measures, PPE, accident and emergency responses, 1st aider.</p> <p>Communication of the policy and plan has been done to the contractors' workers and has been verified based on the training records.</p>	<p>Complied</p>
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <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 <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p>	<p>a) T.K.S. Rubber Estate has established the OSH Policy which was signed by the Managing Director dated 01/02/20. OSH plan sighted in the document TKS-DOC-IU-P4C4/OSH dated 01/02/2020 prepared by Mr Ratinaivel A/L Sinatamby and approved by Mr Rajinder Singh A/L Surat Singh.</p> <p>In the OSH plan has included responsibilities as OSH PIC, OSH training and awareness, OSH monitoring and measures, PPE, accident and emergency responses, 1st aider.</p> <p>Communication of the policy and plan has been done to the contractors' workers and has been verified based on the training records.</p> <p>b) Hazard risk assessment can be sighted in the document HIRARC updated on 30/12/2022. Risk assessment has been done for all operations in the estates include harvesting, chemical application</p>	<p>Complied</p>

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<p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>and fertilizers applications. HIRARC Register, TKSSOP-IU-P4C4/01 rev:0 dated 30/12/21 is referred to.</p> <p>Chemical hazard risk assessment has been done and report sighted reference HQ/14/ASS/00/350 done by Mr Yeow Liang Ming on 19/10/2022. Assessment has been done for 7 types of chemicals which include ally, ecomax, BD Hybrid and fertilizers.</p> <p>c) T.K.S. Rubber Estate has prepared an HSE Training Plan for all the workers that has been documented in the document TKS-REC-IU-P4C6-01. The estate has also maintained training records for individual staff and workers,</p> <p>Training carried out in 2022:</p> <ol style="list-style-type: none"> 1. PPE usage training conducted on 21/09/2022 2. MSPO awareness training on 26/01/2022 3. Safe working procedure - 04/03/2022, 15/03/2022, 17/09/2022 4. Chemical handling procedure - 13/10/2022 5. Waste disposal training - 14/10/2022 6. 1st aid training - 04/11/2022 7. Emergency procedure - 27/06/2022 <p>d) PPE requirement for manuring gang [safety glass, nitrile glove and N95 respirator] as per PPE recommendation in CHRA. And PPE issuance records sighted in the document "records of PPE issues document reference number 450- TKS-REC-IU-P4C4/ISS. Observed at field 3 for the harvesting operation, the PPE was completely worn by the gang. Hard hat, vest, wellington boots, goggles and hand gloves were provided to all workers for free.</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>e) Chemical register dated 31/12/2022 was sighted. Seen the chemical used were: Metsulfuron - Metsulfuron-Methyl - Ally [ALLY 20 DF] ii) Glyphosate Isopropylammonium 41% W/W – ECOMAX iii) Glyphosate Isopropylammonium 41% W/W – POWEX</p> <p>SDS for the said chemicals are available at the store in dual language (Bahasa Malaysia and English). Date of SDS is still valid.</p> <p>f) The person in charge for safety and health was the Estate Manager, MR Rajinder Singh A/L Surat Singh as per appointment letter dated 01/10/2021 where among the responsibility and authority is to ensure that effective implementation of OSH plan.</p> <p>g) At the estate, the manager is responsible for organizing safety training, meetings and investigation and reporting of accidents and incidents. As for T.K.S. Rubber Estate, the was no official safety committee member for OSHA due to headcount is less than the requirement.</p> <p>h) Accident and emergency procedure is available and documented in the document TKS-DOC-IU-P4C4/AER.PR dated 01/02/2020.</p> <p>i) Managing director is the trained first aider. Verified certificate of competency for First Aid at Workplace, training date 14-15/9/2020. Certificate issuance date 30/9/2020 (ref: 0576:2020) and valid for 3 years.</p> <p>j) All accidents will be investigated and reported using JKKP 6 & JKKP 8. Verified MyKKP registration ref: JKKP 8/118166/2023 dated 01/01/2023. As to date, there was no accident reported in 2021 to date.</p>	
<p>Criterion 4.4.5: Employment conditions</p>		

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>The management has established policy on good social practices regarding human rights in respect of industrial harmony. Related social policies which signed by Managing Director dated 01/02/20 are:</p> <ol style="list-style-type: none"> 1. "Pencegahan and pembasmian, gangguan seksual and di tempat kerja" 2. "Hak and Etika Buruh" 3. "Kilanan and Aduan" <p>Communications policy has been conducted on 26/01/2022.</p>	Complied
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>There are no discriminatory practices in T.K.S. Rubber Estate. Whoever employed workers will be equally treated for male and female and locals and foreign workers.</p>	Complied
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Only one (1) directly employed worker in T.K.S. Rubber Estate which is mandore. The mandore has received the salary in accordance with minimum wage order 2022. He's a monthly paid worker and received salary of RM 3,000 per month.</p>	Complied
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>Based on the interview with contractor and workers, it was confirmed that employment contract signed/agreed between the contractor and his employee. Salary payment recorded in the payslip for the employees of contractor with details of any lawful deduction in the payslip. Based on verification, salary was paid in accordance with minimum wages and agreed rates in the employment contract.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	There is only 1 worker in T.K.S. Rubber Estate which has been appointed as mandore and other workers is contractor's workers under S. Gxxxxxx Exxxxx. List of both permanent worker and contactors workers has been listed in the list of workers and include details as per requirement.	Complied
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. - Major compliance -	There is evidence for employment contract for both permanent workers and contractor's workers and it can be sighted in the document 600-TKS-DOC-IU-P4C5/02 for 1 permanent worker and 3 contractors' workers. It has been signed by both parties. The employment contract has been revised and included requirement as per latest employment act 2023. As per interview with workers, it has been confirmed that copies of employment contract have been given to all workers.	Complied
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	The working hours and breaks of each individual employee are recorded in their respective employment contracts which clearly stipulate that working hour is 8 hours from 6.30 am until 2.30 pm inclusive of 30 minutes of break time. Any overtime work is paid in accordance with the provisions of the Employment Act 1955. Onsite interview with managements informed time recording time system has been monitored by mandore that will records time start and end work. For overtime, each worker has their own logbook to record their overtime.	Complied
4.4.5.8	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	The working hours and breaks of each individual employee are recorded in their respective employment contracts which clearly stipulate that working hour is 8 hours from 6.30 am until 2.30 pm	Complied

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	and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	inclusive of 30 minutes of break time. Any overtime work is paid in accordance with the provisions of the Employment Act 1955. Onsite interview with managements informed time recording time system has been monitored through field supervisor that will records time start and end work. For overtime, each worker has their own logbook to record their overtime and the data will be transfer to overtime time form that will be verified by field supervisor, assistant manager and manager.	
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	As per mentioned in the employment contract, stated that working hours is from 6.30 am until 2.30 pm inclusive of 30 minutes of break time. Overtime rate which stated 1.5 for normal hours rate, 2.0 from normal rate for rest days and 3.0 for public holiday and will not exceed 104 hours per months. For overtime, each worker has their own logbook to record their overtime and the data will be transfer to overtime time form that will be verified by field supervisor, assistant manager, and manager.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	T.K.S. Rubber Estate has provided the bonus payment and free medical care for worker and stipulated in the contract of employment.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	There is no workers housing in T.K.S. Rubber Estate where the permanent worker staying at his own house while for contractors' workers staying at house that has been provided by the contractors.	Complied

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4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Sexual harassment policy@ Pencegahan and pembasmian, gangguan seksual and di tempat kerja signed by Managing Director dated 1/2/20 available and publicly showed in signboard.	Complied
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. - Major compliance -	Employees has the right to join any of union and management has the freedom of association policy @ Hak dan Etika Buruh signed by managing director dated 01/02/2020.	Complied
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions. - Major compliance -	All workers hired are more than 18 years old (including contractor's workers) and confirmed during interview that no children were hired in T.K.S. Rubber Estate.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of	T.K.S. Rubber Estate has prepared a Training Plan for all the workers that has been documented in the document TKS-REC-IU-P4C6-01. The estate has also maintained training records for individual staff and workers.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Training carried out in 2022:</p> <p>PPE usage training conducted on 21/09/2022</p> <p>MSPO awareness training on 26/01/2022</p> <p>MSPO Policy training 11/02/2022</p> <p>Safe working procedure- 04/03/2022, 15/03/2022, 17/09/2022</p> <p>Chemical handling procedure - 13/10/2022</p> <p>Waste disposal training - 14/10/2022</p> <p>1st aid training - 04/11/2022</p> <p>Emergency procedure - 27/06/2022</p>	
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>T.K.S. Rubber Estate has conducted training needs assessment prior to prepare the annual training plan for the year 2022 and 2023 for employee and has been documented in the document reference TKS-DOC-IU-P4C6/01. There is only 1 permanent worker which is mandore and is contractors' workers. As per assessment all workers required to attend all training related to all activities since same workers has been utilised for types of works.</p>	Complied
4.4.6.3	<p>A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>T.K.S. Rubber Estate has prepared an HSE Training Plan for all the workers that has been documented in the document TKS-REC-IU-P4C6-01.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			

Criterion / Indicator		Assessment Findings	Compliance
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 -	T.K.S. Rubber Estate has an Environmental policy dated 1/2/2020 and management plan has been documented in the document reference 640- TKS-SOP-IU-P5C1/EMP dated 01/02/2020 that has been signed by the Managing Director. Interviews of staff and workers found that the policy has been communicated and implemented.	Complied
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance -	Environmental management plan included the environmental policy dated 1/2/2020 and objective. The Environmental Aspect & Impact assessment, TKSREC-IU-P5C1/01 dated 30/12/2022. Sample of assessment reviewed: 1. Herbicides spraying activity which covers: 2. Mist 3. Chemical residue to water course 4. Chemical residue to land	Complied
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	Environmental management plan that has been established included negative impact and promoting positive impact management plan. Positive impact that has been plan included a. Constant monitoring on wildlife. Prohibition of hunting in the estate area. b. Proper management of waste generated.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Continual improvement plan has been established and documented in the document reference TKS-DOC_IU-P1C4/CIP and updated on 01/01/2023. The management plan covers and considered environmental and social impacts as well as any form of technologies and systems. Stated in the continuous improvement plan that management has plan to:	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>a. Constant monitoring on wildlife. Prohibition of hunting in the estate area.</p> <p>b. Proper management of waste generated.</p>	
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p>- Major compliance -</p>	<p>T.K.S. Rubber Estate has prepared Training Plan for all the workers that has been documented in the document TKS-REC-IU-P4C6-01 which included environmental issues. The estate has also maintained training records for individual staff and workers.</p>	Complied
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>There is evidence that regular meeting has been conducted on 06/01/2023 where issues related to environment has been discussed.</p>	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p> <p>- Major compliance -</p>	<p>Optimization of the Consumption of non-renewable energy has been outlined in the procedure reference number TKS-SOP-P5C2-OEP dated 01/02/2020.</p> <p>Diesel consumption records for 2022 is available where total of diesel used per FFB is 2.71litre/FFB compared to baseline that has been set at 2.7129litre.</p>	Complied
4.5.2.2	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p>	<p>Estimation on total energy required including fossil fuel usage by contractor has been documented and recorded in the document reference TKS-REC-IU-P5C2/01. This estimation was compared to the actual usage by monthly based on numbers of trips completed from estate to recipient mill.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	There is no possible option for renewable energy application at T.K.S. Rubber Estate.	Not applicable
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 -	Based on documented waste management plan, TKS-SOP-1UP5C3/WMP dated 1/2/2020, among the waste products identified and documented is scheduled waste. Source of waste mainly from estate operation. For estates, its reusable and recyclable wastes identified included empty fertilizer bags and triple rinsed empty chemical containers.	Complied
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products - Major compliance -	Documented waste management plan, TKS-SOP-1U-P5C3/WMP dated 1/2/2020 was emphasized on the identification and monitoring sources of waste and pollution. On top of that, efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products were also being focus on for improvement.	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 -	SOP handling of used chemicals procedure, TKS-SOP-1U-P5C3/HUC dated 1/2/2020 and waste management plan, TKS-SOP-1UP5C3/WMP dated 1/2/2020 were established. So far there was no scheduled waste generated at site as all activities were contract out by the estate. Waste generation and handling was done by the contractor.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>In Estates, empty chemical containers were being triple rinsed, and spot painted in red before return back to supplier. Latest sent on 10/11/2022. Visit and records confirmed that no empty chemical containers being disposed other than returned back to supplier. An established SOP, handling of used chemicals procedure, TKS-SOP-1U-P5C3/HUC dated 1/2/2020 is referred to.</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>No domestic waste generated as there is no line site/workers quarters at T.K.S. Rubber Estate.</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>There are no changes on previous assessment of all polluting activities where there is no new operation and activities in the estate. Assessment of all polluting activities for estate is documented under environmental aspect and impact evaluation. Refer to document, ref no. TKS-REC-IU-P5C1/01 rev: 0 dated 1/2/2020. Source of pollution identified from mainly from fertilizer and chemical application and transportation. The most significant and the most concerned area is under chemical and fertilizer application. Mitigation and action required is incorporated together in the environmental aspect impact register by each specific activity. Environmental management plan is developed based on significant environmental impact identification as per below: Medium (significant): Monitoring required to ensure existing control measures are maintained</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Major (significant): Additional control measures should be implemented within a defined time period	
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Management plan established to reduce the identified significant pollutants and emission documented in the document Environmental management plan dated 1/2/2020 is reference number TKS-SOP-IU-P5C1/EMP.	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.	Water management plan is documented under Water Management Plan, ref no. TKS-SOP-IU-P5C6/WMP rev:0 dated 1/2/2020. a) There was no line site in estate. Water usage is only for the operation such as spraying activity. b) No stream/river crossing the estate. Only man made/artificial stream in the estate for estate irrigation. c) Rainwater harvesting is being implemented in field with the construction of pit and culvert. d) No water course and wetlands within the estate. No necessity of maintaining the riparian buffer zones. e) No natural vegetation in riparian removed and verified during site visit. f) No bore water well within the estate.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. - Major compliance -		
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	As per verification, there is river that crossing the T.K.S. Rubber 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 -	Water management plan includes rainwater harvesting, desilting of roadside drains and etc. This also recommended by agronomist to conserve	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 (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. - Major compliance -	There is no change compared to previous assessment where T.K.S. Rubber Estate has carried out an internal assessment for biodiversity and documented under Biodiversity and Ecosystem Management Plan, ref: TKS-REC-IU-P5C6/BEP, rev: 0 dated 1/2/20. On top of the internal assessment, and external assessment done by experience assessor wildlife ranger and herpetofauna naturalist on November 2020. Related information on IUCN status summarized in the report with vulnerable and least concern status.	Complied

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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>Previous management plan is still in use where Measures for management planning and operations developed for the estate based on the internal assessment for biodiversity and documented under Biodiversity and Ecosystem Management Plan, ref: TKS-REC-IU-P5C6/BEP, rev: 0 dated 1/2/20 and also incorporated under continual improvement plan 2022-2023 dated 15/12/21.</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>Management plan developed and monitored as per the following: Sighting records on monthly and half yearly basis and reported under Rekod Hidupan Liar, MSPO-456-F002. Records from January to December 2022 available for verification. As to date no records of RTE observed and only vulnerable and least concern animal under IUCN were sighted.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p> <p>- Major compliance -</p>	<p>T.K.S. Rubber Estate has established and implemented Best Management Practice approach through its standard operations and procedures. Zero Burning Policy was established and signed by managing director dated 1/2/20 available for review.</p> <p>Zero Open Burning practices observed where the visit to the field has confirmed that the company in compliance of its Zero Open Burning policy.</p>	Complied
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where</p>	<p>No special approval obtained as there was no phyto-sanitation process involved during development stage.</p>	Not applicable

Criterion / Indicator		Assessment Findings	Compliance								
	there is a significant risk of disease spread or continuation into the next crop. - Major compliance -										
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	Not applicable for T.K.S. Rubber Estate. No application of control burning activities during replanting.	Not applicable								
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Not applicable for T.K.S. Rubber Estate. Currently, there is no replanting at T.K.S. Rubber Estate and the youngest palm planted on December 2017 at field 4.	Not applicable								
4.6 Principle 6: Best Practices											
Criterion 4.6.1: Site Management											
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	<p>Standard operating procedure has been established which include process flow and safety measures need to be taken. Details as per below:</p> <table border="1"> <tr> <td>Slashing</td> <td>370 - TKS-SOP-IU-P4C4/MBS</td> </tr> <tr> <td>Harvesting/ Pruning</td> <td>420 - TKS-SOP-IU-P4C4/PB</td> </tr> <tr> <td>Driving vehicle</td> <td>430 - TKS-SOP-IU-P4C4/OPK</td> </tr> <tr> <td>FFB transport</td> <td>440 - TKS-SOP-IU-P4C4/PFFB</td> </tr> </table> <p><u>Major Non-conformities</u></p> <p>There is no standard operating procedure has been established for some operations Sample has been taken for fertilizers application and chemical applications.</p>	Slashing	370 - TKS-SOP-IU-P4C4/MBS	Harvesting/ Pruning	420 - TKS-SOP-IU-P4C4/PB	Driving vehicle	430 - TKS-SOP-IU-P4C4/OPK	FFB transport	440 - TKS-SOP-IU-P4C4/PFFB	Major Non-conformities
Slashing	370 - TKS-SOP-IU-P4C4/MBS										
Harvesting/ Pruning	420 - TKS-SOP-IU-P4C4/PB										
Driving vehicle	430 - TKS-SOP-IU-P4C4/OPK										
FFB transport	440 - TKS-SOP-IU-P4C4/PFFB										

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Criterion / Indicator		Assessment Findings	Compliance
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	Topographic map is available on the soil map to identify areas of potential erosion risk at T.K.S. Rubber Estate. A Soil Suitability Report issued by Department of Agriculture dated 27/8/2020, ref: JP TNH KDH 207/680/5 Jld. 2(25) is referred to. Based on the report, areas are predominantly undulating (Gajah Mati Series: 21.14% - undulating, Kechor Series: 50.92% - undulating) within the estate. Inspection of field conditions at estate showed well established and maintained groundcover vegetation.	Complied
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Visual identification has been established for each field for T.K.S. Rubber Estate. Cross checked with the records on site field no. and field no. in the system found to be consistent. Field record showed consistence reference to the specific field and cross reference with the delivery order.	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Business plan available which forecasted for 5 years (2023-2025), budget forecast reference number TKS-DOC-IU-P6C2/BDGT dated 01/01/2023. Details of forecast FFB and price is used as basis for expenses/operation cost (FFB harvesting and evacuation, maintenance and upkeep) for the estate.	Complied
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	Not applicable since there is no replanting has been planned for next 5 years.	Not applicable
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB	The 3 years FFB crop projection from (2022 -2024) for T.K.S. Rubber Estate is available which contain the yield/ha projection and FFB	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	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 - Major compliance -	projection. Apart from that, estimated cost for both cost/mt and cost/ha is available.	
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	Management has the working sheet for all the field operation for monitoring. Profit and loss monitoring are being monitored for each year and updated in the spreadsheet.	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Pricing mechanism for the contractors has been documented in the contract of services for the contractors Rxxxxxxx for FFB, fertilizers and upkeeps in T.K.S. Rubber signed on 1/1/2010. As per verification based on the payment voucher, there is evidence that pricing mechanism has been implemented and paid to the contractors	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Sighted the agreement for contractor Rxxxxxxx for FFB, fertilizers and upkeeps in T.K.S. Rubber signed on 1/1/2010. All terms and conditions clearly stipulated in the contract. Payment term is 30 days and will be paid in the first week of the following month. Latest payment was paid on 7/2/2022 and made in timely manner.	Complied
Criterion 4.6.4: Contractor			

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Criterion / Indicator		Assessment Findings	Compliance
4.6.4.1	Where contractors are engaged, they shall understand the MSP0 requirements and shall provide the required documentation and information. - Major compliance -	As interview with the contractor, they can demonstrate their understanding on MSP0 requirement which has been communicated to them. The contractor also has provided all relevant document such as workers employment contracts and pay slips.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Sighted the agreement for contractor Rxxxxxxx for FFB, fertilizers and upkeeps in T.K.S. Rubber signed on 1/1/2010. <u>OFI</u> Contract agreement between T.K.S. Rubber Estate and Rxxxxxxx sighted has been signed by both parties. Stated in the agreement that the contractor may subcontract with third parties but only with the owner`s express consent. It can be further improved to detail up in the contract what is owner`s express consent based on the MSP0 requirement for hiring sub-contractor.	OFI
4.6.4.3	The management shall accept MSP0 approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	The requirement is spelled out under para 5 (ii) of the contract dated 1/2/20.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	The contractor works has been recorded and approved in work verification and work order records before approved for payment.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			

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Criterion / Indicator		Assessment Findings	Compliance
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 since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	Not Applicable since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations,	Not Applicable since there is no new planting from forest to oil palm.	Not applicable

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Criterion / Indicator		Assessment Findings	Compliance
	via participatory methodology which includes external stakeholders. - Major compliance -		
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 since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	Not Applicable since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable
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	Not Applicable since there is no new planting from forest to oil palm.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
	laws. - Major compliance -		
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 since there is no new planting from forest to oil palm.	Not applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	Not Applicable since there is no new planting from forest to oil palm.	Not applicable
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 indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	Not Applicable since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable
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	Not Applicable since there is no new planting from forest to oil palm.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
	available. - Major compliance -		
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 since there is no new planting from forest to oil palm.	Not applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	Not Applicable since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	Not Applicable since there is no new planting from forest to oil palm.	Not applicable
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 since there is no new planting from forest to oil palm.	Not applicable

Appendix B: Smallholder Member Details

No.	Smallholder		Location of Planted Area (District)	GPS Coordinates		Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number		Latitude	Longitude		
	N/A						

Appendix C: Location and Field Map

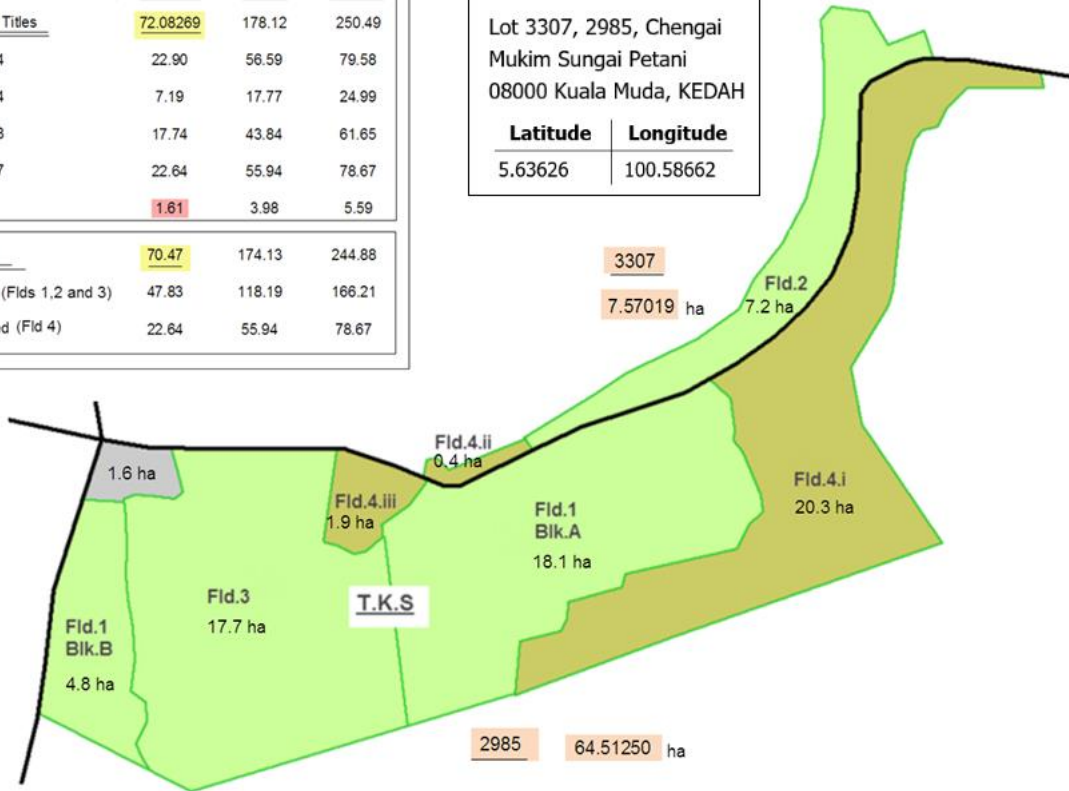


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	hectares	acres	relongs
Tot Area of Titles	72.08269	178.12	250.49
Fld.1 – 2004	22.90	56.59	79.58
Fld.2 – 2004	7.19	17.77	24.99
Fld.3 – 2008	17.74	43.84	61.65
Fld.4 – 2017	22.64	55.94	78.67
Unused	1.61	3.98	5.59
Tot Planted	70.47	174.13	244.88
Tot Mature (Flds 1,2 and 3)	47.83	118.19	166.21
Just Matured (Fld 4)	22.64	55.94	78.67

T.K.S. Rubber Estate
Lot 3307, 2985, Chengai
Mukim Sungai Petani
08000 Kuala Muda, KEDAH

Latitude	Longitude
5.63626	100.58662



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