



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

MSPO INITIAL CERTIFICATION REPORT 2021



LIMBA JAYA TIMBER SDN BHD (647799-A)

Limba Jaya Timber Sdn Bhd – Oil Palm Plantation

Suite 8, 7th Floor, Wisma Bukit Mata Kuching,
Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak.



BQAS Certification [M] Sdn Bhd

Lot 7823, Sublot 6, 2nd Floor, Block A, King Center, Simpang Tiga,
93350, Kuching, Sarawak.

Tel: 082 572 043

Email: bqascertification@gmail.com

Website: www.bqas.com.my

Accreditation No: ACB MSPO CB15



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

CERTIFIED ENTITY

LIMBA JAYA TIMBER SDN BHD

INFORMATION		CERTIFIED ENTITY	
Company Name & Registration No:		Limba Jaya Timber Sdn Bhd (647799-A)	
Main Address:		Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak.	
Site Name:		Limba Jaya Timber Sdn Bhd – Oil Palm Plantation	
Primary Function:		<input checked="" type="checkbox"/> Plantation/Organized Smallholders	<input type="checkbox"/> Mill
Site Address:		LPF/0038, Phase 1 & 2, Ulu Medamit, Sepapit Camp, 98700 Limbang, Sarawak.	
Management Contact Details			
1.	Name: Anthony Tiang Cheng Wei	Job Title: Manager	
	Mobile: 013 8252229	Tel: Nil	Email: luanthony82@gmail.com
2.	Name: Darren Lau Lee Ming	Job Title: MSPO Coordinator	
	Mobile: 016 8988896	Tel: 082 230167	Email: darren8381@gmail.com
Headcount:		Local: 38	General Workers: 8 Total: 46
MS 2530-3:2013 General Principles for Plantations & Organized Smallholders			

CERTIFICATION BODY	BQAS CERTIFICATION [M] SDN BHD [1179994-X]
Office Address:	Lot 7823, Sublot 6, 2 nd Floor, Block A, Kings' Center, Simpang Tiga, 93350, Kuching Sarawak.
Contact Person / Job Title:	Douglas / Audit & Certification Director
Telephone / Mobile:	+6 0198599891
Lead Auditor:	Dominic Retan Giah
Technical Reviewer	Dr. Anthony Tibok

Disclaimer:

This Report (inclusive of enclosures & attachments) had been prepared for the exclusive use and benefits of the addressee(s) and solely for the purpose for which it was intended. Unless BQAS provide prior written consent, no part of this report should be reproduced, distributed or communicated to any third party. BQAS would not accept liability if this report is used for an alternative purpose from which it was intended, nor would we owe any duty of care to any third party in respect of this Report.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

TABLE OF CONTENTS

No.	Description	Pages
1.0	Executive Summary	1-2
2.0	Information: Certification Assessment	2
3.0	Information: Certified Entity	2-3
4.0	Assessment Methodology	3-4
5.0.	Assessment Process	4-9
5.1	Audit Team	
5.2	Audit Plan	
6.0	Stage 1 Audit Assessment	9
6.1	Audit Report	9
6.2	Stage 1 Audit review	10-12
6.3	Auditor Declaration	12
6.4	Lead Auditor : Conclusion Statement	12
6.5	Auditee Acknowledgement	13
6.6	Prelude to Stage 2 Audit, CAR & Closure	13-23
7.0	Stage 2 Audit Assessment	23
7.1	Stage 2 Audit Report	23
7.2	Summary of Findings	24
7.3	Previous Audit Result (If applicable)	24
7.4	Corrective Action Report and Closure	24-31
8.0	Stakeholders' Consultation Report	33-33
9.0	Summary Report by Lead Auditor	33-34
10.0	Conclusion	34
10.1	Certification by BQAS	34
11.0	Audit Programme	35
12.0	Official Sign-off	35
12.1	Signing by the Client	35
12.2	Signing by the Lead Auditor	36
12.2.1	Recommendation by Peer Reviewers	37
12.2.3	Technical Reviewer Assessment After Peer Review	37
12.3	Signing by Technical Reviewer	37
13.0	Annex/Enclosures	38
	ANNEX 1 : Locality Map (Google Map)	39
	ANNEX 2 : Topography Map of LJTSB - OP Plantation	40
	ANNEX 3 : Soil Map of LJTSB - OP Plantation	41
	ANNEX 4 : Boundary & Blocks Map of LJTSB - OP Plantation	42
	ANNEX 5 : Principle & Criteria Audit Report/Checklist(s)	43-63
	ANNEX 6 : Audit Plan	64-67
	ANNEX 7 : Stage 1 Audit Report	68-80
	ANNEX 8 : List of Abbreviation	81



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

1.0 EXECUTIVE SUMMARY

This is an Initial Certification Audit & scope is Individual Certification of Limba Jaya Timber Sdn Bhd [LJTSB] under the Standards MSPO MS2530-3:2013 for Oil Palm Plantations & Organized Smallholders.

Limba Jaya Timber Sdn Bhd main office is located at Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak. The Plantation site is located at Geo-Coordinates: 04° 21' 50.0" N, 115° 00' 33.12"E ; with address at LPF/0038, Phase 1 & 2, Ulu Medamit, Sepapit Camp, 98700 Limbang, Sarawak, approximately 56 kilometers from Limbang Town. *(Refer to Annex 1 Locality Map (Google Map))*

Established in 2007, the Plantation consist a total certified area of 2,138 hectares of rolling hills with mineral type soil. Planted area is 1,642 hectares; the unplanted areas are conserved as riparian zones. LJTSB employed a total headcount of 38 local staffs & 8 foreign general workers. Plantation lands are rented from members of the local community in the area. *(Refer to Annex 2 Topography Map of LJTSB , Annex 3 Soil Map of LJTSB, and Annex 4 Boundary & Blocks Map of LJTSB).*

The assessment method used follows principles of **3P (Paper, Practice & People)**.

This Certification assessment is a sampling process where management systems effectiveness & efficiency are confirmed via an Audit Trail that the Auditor established to make an accurate conclusion, information & data were systematically gathered & documented from interviews [with a cross section random sample of stakeholders], observations of process and activities, field audits & review of documentations and records.

Assessments were done at both the Head Office in Kuching and the Plantation/Site Office at Limbang during this Initial Certification Audit.

Stage 1 Audit was conducted on 30th & 31st May 2021 & Stage 2 on 17th and 19th August 2021 respectively. The long delay in conducting Stage 1 and Stage 2 audit was due to compliance of movement control order as imposed by the government and authorities on COVID 19 pandemic.

One Auditor was assigned to do the Assessment; clocking a total of 2 Man-days (10 findings noted); in areas of management system readiness, policy/policies documentation, legal register, procedures documentation. HIRARC, management plan, & contractors agreement. The corrective action report [CAR] raised for these findings were closed out on 29th July 2021.

In Stage 2 Audit one (1) Minor NC and six (6) OFIs (opportunity for improvements) were recorded; in areas management, legal requirement, of safety and health and employment conditions, chemical handling, water management. The OFI's would be progressively closed before the first year Surveillance Audit. The corrective action report (CAR) for the Minor NC was closed out on 14th September 2021.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

During the Stage 2 Audit, dialogues and interviews were conducted with stakeholders [workers, local communities, landowner & other land users] to gauge understanding of MSPO principles, applications & its importance and relevance to sustainable growth and production of palm oil products. Also assessed were their opinion & working relationship with LJTSB management and this was found to be positive. Local communities were also allowed access and use of roads within the plantation.

Plantation workers are remunerated in accordance with minimum wage order requirements; and living conditions in the Estate meet minimum requirements of health & safety regulations. Available amenities in the Estate include treated water, gen-set (24-hour electricity supply) and telecommunication services.

The Audit team has conducted a rigorous assessment of LJTSB and it is evidenced that it has complied & conformed to MSPO2530-3:2013 Certification standards, conditions & requirements.

Conclusively, the Lead Auditor therefore, recommended that upon conclusion and closure of findings of Stage 2 Limba Jaya Timber Sdn Bhd - Oil Palm plantation be **certified under MSPO Standards MS2530-3:2013**.

2.0 INFORMATION: CERTIFICATION ASSESSMENT

2.1	Type of Certification Assessment	<input checked="" type="checkbox"/>	Initial Certification / Main Audit	
		<input type="checkbox"/>	Annual Surveillance Audit [Year 1]	
		<input type="checkbox"/>	Re-certification Audit	
2.2	Scope of MSPO Certification	<input checked="" type="checkbox"/>	Production of Sustainable Fresh Fruit Bunch from:	
			Total Planted Area	Total Certified Area
			1,642 hectares	2,138 hectares
2.3	MSPO Standards	<input checked="" type="checkbox"/>	PART 3: MS2530-3:2013	
		<input type="checkbox"/>	PART 4: MS2530-4:2013	
	Maps [Refer Attachments]	<input checked="" type="checkbox"/>	Location (Google Map) - Annex 1	
		<input checked="" type="checkbox"/>	Topography Map - Annex 2	
		<input checked="" type="checkbox"/>	Soil Map - Annex 3	
		<input checked="" type="checkbox"/>	Boundary/Block Map - Annex 4	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

3.0 INFORMATION : CERTIFIED ENTITY

INFORMATION		CERTIFIED ENTITY	
Company Name & Registration No:		Limba Jaya Timber Sdn Bhd (647799-A)	
Head Office Address		Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak.	
Site Name		Limba Jaya Timber Sdn Bhd – Oil Palm Plantation	
Primary Function:		<input checked="" type="checkbox"/> Plantation/Organized Smallholders	<input type="checkbox"/> Mill
Site address		Limba Jaya Timber Sdn Bhd – Oil Palm Plantation LPF/0038, Phase 1 & 2, Ulu Medamit, Sepapit Camp, 98700 Limbang, Sarawak.	
Management Contact Details			
1	Name : Anthony Tiang Cheng Wei	Job Title: Manager	
	Mobile: 013 8252229	Tel: Nil	Email: luanthony82@gmail.com
2	Name : Darren Lau Lee Ming	Job Title: MSPO Coordinator	
	Mobile: 016 8988896	Tel:082 230167	Email: darren8381@gmail.com

Headcount	Staff : 38	General Workers : 8	Total : 46
MPOB License No: 6017 4600 2000		Expiry Date: 31 08 2022	
Scope of Activity: Menjual & Mengalih FFB			
Date of Establishment: 2007		Geo-Coordinates: 4° 21' 50.0" N, 115° 00' 33.12"E	
Certified Area: 2,138 hectares		Planted Area: 1,642 hectares	
Production (Actual) 2020 : 8,488.18 MT		FFB Production (estimate) 2021: 7,073 MT	
Source of FFB : Own estate		Main FFB purchaser: Biogrow City Plantations S/B (Palm Oil Mill)	

4.0 ASSESSMENT METHODOLOGY

This certification assessment is a SAMPLING process where management systems effectiveness & efficiency are confirmed via an audit trail that the Auditor established to make an accurate conclusion.

Information gathering Data collection from	Interviews – staffs, contractors, local communities, FFB suppliers & other stakeholders <ul style="list-style-type: none"> • Observation of process & activities • Review of documentations & records • Site visits • Field inspections
---	--



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Assessment method	<p>Paper</p> <ul style="list-style-type: none"> Assessing past implementations from records, reports of the management system Practice <p>Practice</p> <ul style="list-style-type: none"> Assessing current implementation from observing current practices <p>People</p> <ul style="list-style-type: none"> Assessing future maintenance from interviewing personnel on understanding & assessing competencies. 	
Stage 1	Audit Findings Classification	
Term	Meaning/description	
Acceptable	<ul style="list-style-type: none"> Fulfilled Requirement of Audit Standard 	
Acceptable with Findings Noted	<ul style="list-style-type: none"> Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization 	
Not Acceptable	<ul style="list-style-type: none"> Demonstrate absence or total breakdown of system to meet standard requirement 	
Stage 2	Audit Findings Classification	
Term	Meaning	Description
Yes	Compliance	<ul style="list-style-type: none"> Fulfilled requirement of audited standard
OFI	Opportunity For Improvements	<ul style="list-style-type: none"> Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization
No (Minor NC)	Minor Non-Conformity	<ul style="list-style-type: none"> Non-compliance to standard requirements or company's SOP; or are issues that when combined, jeopardized the functioning of the system .
No (Major NC)	Major Non-Conformity	<ul style="list-style-type: none"> Demonstrate absence or total breakdown of system to meet standard requirement, or a number of minor NC against a clause of standard requirements / at a particular area. Of last assessment that are not effectively addressed will be classified as major NC.

5.0 ASSESSMENT PROCESS

5.1 AUDIT TEAM

ASSESSMENT STAGE	NAME	ROLE
STAGE 1	Dominic Retan Giah	Lead Auditor
STAGE 2	Dominic Retan Giah	Lead Auditor
	Douglas Alau Tayan	Auditor



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

A. Dominic Retan Giah			Lead Auditor
Qualifications:			
<ul style="list-style-type: none"> • Bachelor of Science in Wood Science & Technology, Colorado State University, Fort Collins; 1987, • Diploma in Wood Technology, Institut Teknologi MARA (UiTM), Shah Alam; 1983 • St Joseph School, Kuching, Sarawak; 1963-1973 			
Working Career & Experience:			
Year ended	Employer	Highest Job	
2017	Mitsubishi Heavy Industries Ltd	Environmental Officer	
2014	Saytech General Inspection Services Sdn Bhd	Manager, EIA & Certification	
2012	Sarawak Planted Forest Sdn Bhd	District Plantation Manager	
2008	Grand Perfect Sdn Bhd	Senior Training Officer	
2002	Borneo Pulp and Paper Sdn Bhd	District Planner	
1997	Easimax Dynamics Sdn Bhd	Manager	
Relevant MSPO Related Credentials:			
<ul style="list-style-type: none"> • MSPO Lead Auditor (Pioneer Group), Course No. 1 dated 26 to 30th January 2015 • EIA Consultant No. C038[NREB/I/2008], March 2014 • Logged more than 150 Man-days as MSPO Lead Auditors 			
B. Douglas Alau Tayan			Auditor
Qualifications:			
<ul style="list-style-type: none"> • M.Sc. Agr. Sc. (Univ. of Florida, USA) 1986 • B. Agr. Sc. (Univ. Of Florida, USA) 1984 • Diploma Agric.(UPM, M'sia) 1980 • Senior Cambridge (SEDAYA, Kanowit) 1975 			
Working Career & Experience			
Year Ended	Employer	Highest Job	
1991-Present	Freelance EIA Consultant	Consultant	
1998	Edward & Sons (EM) Sdn Bhd	General Manager	
1995	The Borneo Sun Sdn Bhd	General Manager	
1991	Universiti Pertanian Malaysia	Lecturer	
<ul style="list-style-type: none"> • Plantation & Management with more than 10 years working experience in oil palm plantation company as estate owner responsible for crop production, documentation, general estate maintenance, man power sufficiency, costing, good agricultural practices, security, mechanization, special project and OSH. 			
Relevant MSPO Related Credentials:			
<ul style="list-style-type: none"> • Training - MSPO auditor & MSPO Peer Reviewer Training (14-15/06/2017) by MPOCC, & ISO/IEC 17021-1:2015 Conformity Assessment -Requirements for Bodies providing Audit & Certification of Mgm. Systems (5-6/12/2017) by DSM. • Integrated Quality, Environmental, Occupational Health & Safety Systems - Lead Auditor Training Course (20th April to 4th May 2019). • Successfully Completed and passed the Examination for the MSPO Lead Auditor Course (7th - 11th November 2016). • EIA Consultant No.: NREB/I/0160, July 2017 • Logged more than 50 Man-days as MSPO Auditor 			



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

5.2 AUDIT PLAN

5.2.1 AUDIT OBJECTIVES

INITIAL CERTIFICATION AUDIT

1. To evaluate the implementation, including effectiveness, of the management system.
2. Information and evidence about conformity to all requirements
3. To assess performance monitoring, measuring, reporting
4. Reviewing against key performance objectives and targets
5. Performance as regards legal compliance
6. Operational control of the client's processes
7. Internal auditing and management review
8. Management responsibility for policies
9. Links between the normative requirements, policy, performance objectives and targets
10. Competence of personnel
11. Customer specific requirements

5.2.2 ASSESSMENT SITES/PROGRAMS/PARAMETERS

MS2530-3:2013 General Principles for Palm Oil Plantation & Organized Smallholders

ASSESSMENT SITES

Assessments were performed at :

-
- Estate Office – documentations & records
 - Estate – processes, stores, waste & water management, workshop and related facilities
 - Staff facilities – housing, amenities etc.
-



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

STAGE 2 Main Assessment Program

(Detail of Audit program - Refer to ANNEX 6 : Audit Plan)

<p>Date: 17 & 18 08 2021 No. of Auditors: 2 No. of Man-days: 4</p> <p>Audit Sites: Stage 1 Audit was done through Remote Assessment</p> <p>Stage 2 Audit was done on site at Limba Jaya Timber Sdn Bhd Oil Palm Plantation, Ulu Mendamit, Sepapit Camp, Limbang Sarawak</p>		
Day 1	<ul style="list-style-type: none"> ● Opening Meeting 	
	<ul style="list-style-type: none"> ● <u>Estate site Assessment & field Audits</u> Inspection/observation of staff/workers housing & living conditions, facilities & amenities, interview foreign workers, domestic waste treatment, Harvesting etc. Stakeholders dialogues/interviews (contractors, FFB suppliers, local community representatives, adjacent landowners). 	
Day 2	<ul style="list-style-type: none"> ● Review Stage 1 Audit Report ● Documentation Audit of MSPO MS2530:3:2013; Principle 1 to 6. ● Documentation Audit [continuation] ● Joint Estate Closing Meeting ● Presentation of Audit Checklist / Report 	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

ASSESSMENT PARAMETERS

- Evaluate implementation, including effectiveness of the management system
- Information & evidence about conformity to all requirements
- Performance monitoring, measuring, reporting
- Reviewing against key performance objectives & targets
- Performance as regards legal compliance
- Operational control of the client's process
- Internal auditing & Management review
- Management responsibilities for policies
- Links between the normative requirements, policy
- Competence of personnel
- Customer specific requirements
- Traceability of FFB
- Use of PPE / Safety & Health training program
- Assess other points/areas of buffer zone, Riparian reserves, boundaries
- Implementation of Policies & procedures at all stores (fertilizer, chemical, schedule waste store)
- Improvements to workers' quarters – health & safety
- Infrastructure / roads & drainage / natural water management
- Continuous improvement plan & implementation
- Implementation of Best practices
- Implementation of environmental management plan
- Stakeholders & workers interview

5.3 THE AUDIT PROCESS

The Audit Process for Stage 2 Assessments was conducted as follows:

No.	Process	Description/Activities
1	Public Notification	Written notice to inform public on MSPO Audit is posted at Estate Office 1 month before Audit dates
	↓	
2	Audit Plan	Auditee received 2 weeks before Audit dates
	↓	
3	Audit Day 1	Opening Meeting - Site Office Estate site Assessment & Field Audits • Participants: Audit Team & Auditee Management Stakeholders Consultation / Field & Site Audits • Stakeholders interviews • MSPO knowledge of Estate staffs • Checks & verification on Boundary, Buffer Zone, Riparian Zone, Waste/scheduled waste management, Water management, Water courses, Harvesting • Staff/workers housing & amenities, • Use of PPE, Stores, Workshop Review of Stage 1 Audit Report



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

↓		
4	Audit Day 2	<p>Documentation Review</p> <ul style="list-style-type: none"> • Management Systems, Policies, Procedures, MSPO Principles 1 to 6 documents etc. <p>Documentation Review [continuation]</p> <ul style="list-style-type: none"> • Management Systems, Policies, Procedures, MSPO Principles 1 to 6 documents etc. <p>Closing meeting</p> <ul style="list-style-type: none"> • Participants: Audit Team & Auditee Management • Agenda: Review Stakeholders feedback Presentation of Report / Checklists. Review, discuss & decide corrective & forward action to be taken by Auditee

6.0 STAGE 1 ASSESSMENT

6.1 AUDIT REPORT

6.1.0	Ref No: LJTSB/AU/ST1/01/20	MSPO STAGE 1 AUDIT REPORT
Standard(s)	MS 2530-1 MS 2530-2 MS 2530-3 MS 2530-4	
Other Standard(s)	NIL	

INFORMATION:	CERTIFICATION BODY	
Stage 1 Audit Date:	30 & 31 05 2021	Audit Duration: 2 Man-days
Stage 2 Audit Date:	17 & 18 08 2021	Audit Duration: 4 Man-days
BQAS Audit Team:	Name	Role in Audit
	Dominic Retan Giah	Lead Auditor
	Douglas Alau Tayan	Auditor

6.1.1 AUDITOR CHECKLIST & INFORMATION

6.1.2	INFORMATION ABOUT THIS ORGANISATION	
Company Name:	Limba Jaya Sdn Bhd	Registration No: 647799-A
Address:	Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak	
Site Name:	Limba Jaya Plantation	
Primary Function:	<input checked="" type="checkbox"/> Plantation/Organized Smallholders <input type="checkbox"/> Mill	
Site Address:	Limba Jaya Timber Sdn Bhd Oil Palm, Ulu Medamit, Medamit, Limbang, Sarawak	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Management Contact details:				
Name	Job Title	Mobile	Telephone	Email
Darren Lau	Coordinator	016-898 8896		darren8381@gmail.com
Headcount:	Local: 39	General Workers: 7 (foreign)		Total: 46
MPOB License No:	540013002000	Expiry Date: 31/05/2022		
Scope of Activity:	Sale and handling of FFB (<i>Menjual dan mengalih</i> FFB)			
Date of Establishment	2007	Geo-Coordinates		4° 21' 50.00"N 115° 00' 33.12"E
Certified Area:	2,138 ha	Planted Area:		1,642 ha
FFB Production (actual) 2020:	8,488.18 MT	FFB Production (estimate) 2021		7,073 MT
Sources of FFB	Own estate	Main FFB purchaser		Biogrow City Plantations Sdn Bhd (Palm Oil Mill)
No of Planting Blocks	71 blocks in 2 phases	No of Palm trees		192,131 palms
Palm Species		Age Range of Palm Trees		14 years
Topography	Rolling terrain with some alluvial flats	Soil Type		Mineral
Land Status: Ownership	<input type="checkbox"/> Own Land	<input checked="" type="checkbox"/> Rented		<input type="checkbox"/> Joint Venture
Other Sustainability Certification:	NIL			

6.2 STAGE 1: AUDIT REVIEW

6.2.1 AUDIT RESULTS: FINDINGS: CORRECTIVE ACTION REPORTS [CAR]

6.2.2 AUDIT RESULTS: SUMMARY OF FINDINGS

No	Process Area	Findings (Categories)
1.	Process for identification of legal and other requirements.	<i>LJTSB has not provided an evaluation of legislation for compliance. The legal register is also non-existent.</i> (Unacceptable)
2.	The outputs from management reviews are consistent with the commitment to continual improvement.	The minutes of the MRM are needed to generate outputs for continual improvement. <i>The minutes of the management review meeting are not sighted.</i> (Unacceptable)
3.	Internal audits planned and performed? Records are available?	<i>A gap analysis checklist was conducted on 05/02/2020 (26 findings) and with an earlier gap analysis prepared by a consultant (for MSPO certification consultancy) in 2019 (with a total of 33 findings). There was no indication that the findings had been attended to and resolved.</i> (Acceptable with findings)
4.	Training Procedure	Records of in-house training conducted are available <i>but no</i>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

		<i>procedure is sighted (conduct of training needs analysis, training Matrix & evaluation of training for effectiveness).</i> (Unacceptable)
5	List of Stakeholders	Document sighted and verified. List of 58 stakeholders comprising suppliers, contractors and government agencies. However, the following findings are noted: A. No reference no. B. Date of last review not stated (Acceptable with findings)
6.	Training Programme	Documents sighted are on training records and courses conducted so far. The Training Programme (plan or schedule of the types of courses to be conducted) for the current year is not available. (Unacceptable)
7.	Non-renewable energy estimation	Details or records of the consumption of non-renewable energy (diesel usage) is not available. (Unacceptable)
8.	Water Management Plan	Based on observation from a photograph, noted that rainwater harvesting was practised in the plantation for domestic use. No water management plan made available during time of audit. (Unacceptable)
9.	Contractor Agreement	No contractor agreement sighted during time of audit. (Unacceptable)
10.	Social and environmental impact assessment	Sighted: general statement describing the Environmental Impacts and Aspects, none on Social Impacts and Aspects. A specific document is required relevant to the operations of Limba Jaya Timber Sdn Bhd (Oil Palm Plantation). No SEIA available during time of audit. (Unacceptable)

6.2.3	Competencies
Further special technical competencies needed?	<input checked="" type="checkbox"/> Yes, please specify: Internal audit procedure <input type="checkbox"/> No

6.2.4	Information Requirements
List any further information necessary for planning the Stage 2 audit: 1. Estate manual of operations (comprising policies, SOPs and plans).	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

6.2.5	Readiness for Stage 2
Based upon review of the above, please state the Auditee readiness	<input type="checkbox"/> Ready for Stage 2 as scheduled <input type="checkbox"/> Ready for Stage 2 with concerns <input checked="" type="checkbox"/> Not ready for Stage 2

6.2.6	Implementation Review
Implementation review prior to Stage 2 audit (if applicable)	
Closure of Stage 1 findings categorised as unacceptable shall be reviewed before the conduct of Stage 2 audit.	

Note: Detail of the Stage 1 Remote Audit Checklist - Refer to Annex 7 : Stage 1 Audit Report

6.3	AUDITOR DECLARATION
<p>The Stage 1 audit which was conducted via Remote Audit was based on collecting the necessary information regarding:</p> <ul style="list-style-type: none"> the scope of the management system, processes and location(s) reviewing the organization’s status and understanding regarding the requirements of the standard the identification of objectives, processes and operations of the management <p>The above stated recommendation regarding the organization’s readiness for registration or upgrade is limited to this information collected and was not based on a full audit of the management system. The information in this report should assist the organization in determining any action(s) needed prior to the Stage 2 audit and whether to proceed with the stage 2 audit as currently scheduled.</p>	

6.4	LEAD AUDITOR: CONCLUSION STATEMENT	
<p>Based on the Findings/Action taken by Auditee/Closures above, Limba Jaya Timber Sdn Bhd [LJTSB] had been able to demonstrate and improved on its compliance to and with requirements of the MSPO MS2530-3:2013 Standard: General Principles for Plantations & Organized Smallholders.</p> <p>The Audit Team had done rigorous assessment of Limba Jaya Timber SB both via feedback from site office and its Head Office in terms of its documentation preparation and in-situ development. At both site level & office documentation it was assessed that client had made adequate preparation and in general readiness for Stage 2 Audit. It is recommended that Stage 2 Audit be conducted upon satisfactory and complete closure of Stage 1 Corrective Action Reports (CAR).</p>		
Date: 04/06/2021	Name: Dominic R. Giah	Signature:



MSPO INITIAL CERTIFICATION REPORT 2021


BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

6.5 AUDITEE ACKNOWLEDGEMENT			
This is to acknowledge and confirm the Stage 1 Remote Audit [ST1 A] Assessments described in this Report and the Acceptance of the Contents and Findings in the said Audit Report.			
Date: 04/06/2021	Name: Darren Lau	Job Title: MSPO Coordinator	Signature: 

6.6 PRELUDE TO STAGE 2 AUDIT and CAR & Closure

Since the completion of Stage 1 Remote Audit on the 31st May 2021, Limba Jaya Timber Sdn Bhd had accomplished the tasks required to fulfil the requirements of MSPO MS2530-3:2013 Standard: General Principles for Plantations & Organized Smallholders. Thus with this accomplishment, Limba Jaya Timber Sdn Bhd is eligible to proceed to Stage 2 Audit assessment.

All the ten (10) Findings in Stage 1 had been closed on the 12th July 2021. The Corrective Action Reports are reported in the following Tables:

6.6.1 CORRECTIVE ACTION REPORTS [CAR]	
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)	Audit Stage: 1 Date: June 4, 2021
STANDARDS: MS 2530-3:2013	CAR: No 1 of 10 Ref No: BQ/LJTSB/ ST1/05/21
1. FINDING To be completed by Auditor	
Process, Area: Process for identification of legal and other requirements.	
Details of Finding: <i>LJTSB has not provided an evaluation of legislation for compliance. The legal register is also non-existent.</i>	
2. CLASSIFICATION:	<input type="checkbox"/> NA <input checked="" type="checkbox"/> Not Acceptable AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)
Date: 04/06/2020	Lead Auditor: Dominic Retan Giah
To be completed by Company	
Finding + classification is correct <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021	Management Representative: Darren Lau
3. Correction(s), immediate measure To be completed by Company	
Review of company documents, licenses and permits for display.	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

4. Root cause(s)		To be completed by Company
Ignorance and missed out on the requirements.		
5. Corrective action taken (s)		To be completed by Company
List of Legal Register being drawn up.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
To be viewed in the forthcoming Stage 2 Audit.		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.2	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013	CAR: No 2 of 10	Ref No: BQ/LJTSB/ ST1/05/21	
1. FINDING		To be completed by Auditor	
Process, Area: The outputs from management reviews are consistent with the commitment to continual improvement.			
Details of Finding: The minutes of the MRM are needed to generate outputs for continual improvement. <i>The minutes of the management review meeting are not sighted.</i>			
2. CLASSIFICATION:		NA	<input checked="" type="checkbox"/> Not Acceptable AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)	
Date: 04/06/2021		Lead Auditor: Dominic Retan Giah	
		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021	Management Representative: Darren Lau	Signature: 	
3. Correction(s), immediate measure		To be completed by Company	
Review of documents for conducting of LJTSB Management Review Meeting.			
4. Root cause(s)		To be completed by Company	
Lack of focus			



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

5. Corrective action taken (s)		To be completed by Company
Notice of meeting to be issued through WhatsApp as the meeting shall be conducted via Zoom (due to travel restrictions and following MoH SOPs).		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
To be sighted in the forthcoming Stage 2 Audit.		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.3	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013		CAR: No 3 of 10	Ref No: BQ/LJTSB/ ST1/05/21
1. FINDING		To be completed by Auditor	
Process, Area: Internal audits planned and performed? Records are available?			
Details of Finding: <i>A gap analysis checklist was conducted on 05/02/2020 (26 findings) and with an earlier gap analysis prepared by a consultant (for MSPO certification consultancy) in 2019 (with a total of 33 findings). There was no indication that the findings had been attended to and resolved. The minutes of the management review meeting are not sighted.</i>			
2. CLASSIFICATION:		NA	<input type="checkbox"/> Not Acceptable AWF <input checked="" type="checkbox"/> Acceptable with Findings
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)	
Date: 04/06/2021		Lead Auditor: Dominic Retan Giah	
		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021		Management Representative: Darren Lau	
3. Correction(s), immediate measure		To be completed by Company	
To review and discuss the findings from the previous gap analysis.			



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

4. Root cause(s)		To be completed by Company
Oversight		
5. Corrective action taken (s)		To be completed by Company
To issue Notice of Meeting.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
To verify during Stage 2 Audit		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.4	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013	CAR: No 4 of 10	Ref No: BQ/LJTSB/ ST1/05/21	
1. FINDING		To be completed by Auditor	
Process, Area: Training Procedure			
Details of Finding:			
Records of in-house training conducted are available <i>but no procedure is sighted (conduct of training needs analysis, training Matrix & evaluation of training for effectiveness).</i>			
2. CLASSIFICATION:	NA	<input checked="" type="checkbox"/> Not Acceptable	AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)		
Date: 04/06/2021	Lead Auditor: Dominic Retan Giah		
3. Correction(s), immediate measure		To be completed by Company	
Finding + classification is correct <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Date: 04/06/2021	Management Representative: Darren Lau	Signature: 	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

To review and compile documents on training		
4. Root cause(s)		To be completed by Company
Oversight		
5. Corrective action taken (s)		To be completed by Company
To prepare LJTSB Training Programme with Workers 2021.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
To be verified in Stage 2 Audit.		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.5	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013	CAR: No 5 of 10	Ref No: BQ/LJTSB/ ST1/05/21	
1. FINDING		To be completed by Auditor	
Process, Area: List of Stakeholders			
Details of Finding: Document sighted and verified. List of 58 stakeholders comprising suppliers, contractors and government agencies. <i>However, the following findings are noted:</i> A. No reference no. B. Date of last review not stated			
2. CLASSIFICATION:	NA	<input type="checkbox"/> Not Acceptable	AWF <input checked="" type="checkbox"/> Acceptable with Findings
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)		
Date: 04/06/2021	Lead Auditor: Dominic Retan Giah		
		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Date: 04/06/2021	Management Representative: Darren Lau		
3. Correction(s), immediate measure		To be completed by Company	
To indicate reference number and date of review for the List of Stakeholders.			
4. Root cause(s)		To be completed by Company	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Oversight		
5. Corrective action taken (s)		To be completed by Company
List of Stakeholders doc. No. MSPO/LJTSBOP/P2/SH/001, Rev. No. 00, review date: 10/06/2021 being prepared.		
6. Evidence		To be completed by Lead Auditor
Above mentioned list to be verified at forthcoming Stage 2 Audit.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.6	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013		CAR: No 6 of 10	Ref No: BQ/LJTSB/ ST1/05/21
1. FINDING		To be completed by Auditor	
Process, Area: Training Programme			
Details of Finding: Documents sighted are on training records and curses conducted so far. <i>The Training Programme (plan or schedule of the types of courses to be conducted) for the current year is not available.</i> <i>The minutes of the management review meeting are not sighted.</i>			
2. CLASSIFICATION:		NA	<input checked="" type="checkbox"/> Not Acceptable AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)	
Date: 04/06/2021		Lead Auditor: Dominic Retan Giah	
		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021		Management Representative: Darren Lau	
3. Correction(s), immediate measure		To be completed by Company	
To review and compile records on training for 2020-2021.			



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

4. Root cause(s)		To be completed by Company
Oversight and unpreparedness		
5. Corrective action taken (s)		To be completed by Company
Management Review Meeting to be organized with head office in Kuching.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
To verify evidence of completion in the upcoming Stage 2 Audit.		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.7	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013	CAR: No 7 of 10	Ref No: BQ/LJTSB/ ST1/05/21	
1. FINDING		To be completed by Auditor	
Process, Area: Non-renewable energy estimation			
Details of Finding: <i>Details or records of the consumption of non-renewable energy (diesel usage) is not available.</i>			
2. CLASSIFICATION:	NA	<input checked="" type="checkbox"/> Not Acceptable	AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)	
Date: 04/06/2021		Lead Auditor: Dominic Retan Giah	
3. Correction(s), immediate measure		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021	Management Representative: Darren Lau		



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

To review and compile records of fuel consumption for 2020-2021.		
4. Root cause(s)		To be completed by Company
Oversight		
5. Corrective action taken (s)		To be completed by Company
To tabulate records of consumption of non-renewable energy.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
To view such tables at the forthcoming Stage 2 Audit		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.7.8	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013		CAR: No 8 of 10	Ref No: BQ/LJTSB/ ST1/05/21
1. FINDING		To be completed by Auditor	
Process, Area: Water Management Plan			
Details of Finding: Based on observation from a photograph, noted that rainwater harvesting was practised in the plantation for domestic use. <i>No water management plan made available during time of audit.</i>			
2. CLASSIFICATION:		NA	<input checked="" type="checkbox"/> Not Acceptable AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)	
Date: 04/06/2021		Lead Auditor: Dominic Retan Giah	
			To be completed by Company
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021		Management Representative: Darren Lau	
3. Correction(s), immediate measure		To be completed by Company	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

To review current harvesting & usage of water		
4. Root cause(s)		To be completed by Company
Unaware of this requirement		
5. Corrective action taken (s)		To be completed by Company
To prepare a Water Management Plan for LJTSB		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
The Water Management Plan shall be verified in the forthcoming Stage 2 Audit.		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.9	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)	Audit Stage: 1	Date: June 4, 2021	
STANDARDS: MS 2530-3:2013	CAR: No 9 of 10	Ref No: BQ/LJTSB/ ST1/05/21	
1. FINDING		To be completed by Auditor	
Process, Area: Contractor Agreement			
Details of Finding: <i>No contractor agreement sighted during time of audit.</i>			
2. CLASSIFICATION:	NA	<input checked="" type="checkbox"/> Not Acceptable	AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged).		
Date: 04/06/2021	Lead Auditor: Dominic Retan Giah		
		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021	Management Representative: Darren Lau		
3. Correction(s), immediate measure		To be completed by Company	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Review of documents relating to contractors		
4. Root cause(s)		To be completed by Company
Non-familiarity with the requirements		
5. Corrective action taken (s)		To be completed by Company
Although a document exists to cater to hiring of contractors, at the moment no contractors and workers are involved in LJTSB operations. No further action required.		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature:
6. Evidence		To be completed by Lead Auditor
Noted		
7. Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature:

6.6.10	CORRECTIVE ACTION REPORTS [CAR]		
Client Name: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation)		Audit Stage: 1	Date: June 4, 2021
STANDARDS: MS 2530-3:2013		CAR: No 10 of 10	Ref No: BQ/LJTSB/ ST1/05/21
1. FINDING		To be completed by Auditor	
Process, Area: Social and environmental impact assessment			
Details of Finding: Sighted: general statement describing the Environmental Impacts and Aspects, none on Social Impacts and Aspects. A specific document is required relevant to the operations of Limba Jaya Timber Sdn Bhd (Oil Palm Plantation). <i>No SEIA available during time of audit.</i>			
2. CLASSIFICATION:		NA	<input checked="" type="checkbox"/> Not Acceptable AWF <input type="checkbox"/> Acceptable with Findings
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)	
Date: 04/06/2021		Lead Auditor: Dominic Retan Giah	
		To be completed by Company	
Finding + classification is correct		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date: 04/06/2021		Management Representative: Darren Lau	



MSPO INITIAL CERTIFICATION REPORT 2021



BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

3. Correction(s), immediate measure		To be completed by Company
To review documents		
4. Root cause(s)		To be completed by Company
To the understanding of the plantation management, a consultant was being sought to undertake preparation of the SEIA.		
5. Corrective action taken (s)		To be completed by Company
To follow up with management		
Date: 03/07/2021	Estate Manager: Anthony Tiang Cheng Wei	Signature: 
6. Evidence		To be completed by Lead Auditor
The completed SEIA shall be viewed at the forthcoming Stage 2 Audit.		
7.	Closure:	Action for closing has been implemented & Plan for closing AWF/NC is suitable:
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Date: 12/07/2021	Lead Auditor: Dominic Retan Giah	Signature: 

7.0 STAGE 2 : MAIN ASSESSMENT

7.1 AUDIT REPORT

Ref No: LJTSB/AU/ST2/07/20

Standards : MS2530-3:1 MS2530-3:2 MS2530-3 MS2530-4

Other Standard and/or Edition : Nil

7.1.1 INFORMATION:	CERTIFICATION BODY	
Name:	BQAS Certification [M] Sdn Bhd [1179994-X]	
CB No.:	ACB MSPO CB 15	
Address:	Lot 7823, Sublot 6, 2 nd Floor, Block A, Kings' Centre, Simpang Tiga, 93350, Kuching, Sarawak.	
Contact:	Email: bqascertification@gmail.com	Tel: +6 082 572 043
	WhatsApp: +6 016579383	Website: www.bqas.com.my
Initial Certification Audit Date:	17 & 18 08 2021	Audit Duration: 4 man-days
BQAS Audit Team:	Name:	Role in the Audit
	Dominic Retan Giah	Lead Auditor
	Douglas Alau Tayan	Auditor
<input checked="" type="checkbox"/>	INDIVIDUAL CERTIFICATION	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.2 Summary of Findings

Table: 7.2 Summary of Findings

Principles	P1	P2	P3	P4	P5	P6	Total
No of NC: Major	-	-	-	-	-	-	-
No of NC: Minor	-	-	-	-	1	-	1
No of OFI: Opportunity for Improvement	2	-	1	1	2	-	6
Total	2	-	1	1	3	-	7

Note : For detail Stage 2 Field Audit Report, Refer to ANNEX 5 : Principle & Criteria Audit Report/Checklist(s)

7.3 PREVIOUS AUDIT RESULT (IF APPLICABLE)

No. of Non-Conformity (NC) raised from the previous audit	MSPO Initial Certification Audit (Stage 1) 10 Observations
The audit team has reviewed the result from the previous audit (MSPO Initial Certification Audit - Stage 1) and verified the effectiveness of the closing of any Non-Conformity (NC) raised. As a conclusion:	
<input checked="" type="checkbox"/>	All Observations raised during the previous audit has been corrected and Corrective Action or Corrective Action Plan has been carried out and implemented effectively
<input type="checkbox"/>	The management system has not adequately addressed Non-Conformity (NC) raised during the previous audit and the specific issue has been re-defined in this report.

Refer to ANNEX 7: Status of Nonconformities (NC) Raised in the Stage 1 Audit

7.4 Corrective Action Report and CLOSURE

During Stage 2 Audit assessment, there were seven (7) Findings reported. Out of these, only one (1) Minor NC and six (6) OFIs. After receiving and reviewing the Corrective action Reports, all findings were closed by the Lead Auditor on the 14th September 2021. The Corrective Action Reports for this Stage 2 Certification Audit are as tabulated below:



MSPO INITIAL CERTIFICATION REPORT 2021



BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.4 CORRECTIVE ACTION REPORTS [CAR] - STAGE 2 AUDIT						
						Date: 18/08/2021
7.4.1 CORRECTIVE ACTION REPORTS [CAR] No. 1 of 7						
FINDINGS				To be completed by Lead Auditor		
Standards	MSPO MS2530-3:2013			Reference	BQ/LJTSB/S2/08/2021	
Process, Area	Principle:	5	Criterion:	6	Indicator	3 Status of rare, threatened, or endangered species and high biodiversity value area.
<p>MSPO Clause 4.5.6.3 states: "A management plan to comply with Indicator 3 shall be established and effectively implemented, if required".</p> <p>Details of Finding: Limba Jaya Timber Sdn Bhd (Oil Palm Plantation) has not implemented a management plan to cater to protected and totally protected animals.</p> <p>Evidence: In the course of their duty in the vicinity of the forest fringe or within the plantation, personnel had come across wildlife but did not document their sightings.</p>						
2 CLASSIFICATION				To be completed by Lead Auditor		
Major Non-conformity	<input type="checkbox"/>	Minor-nonconformity		<input checked="" type="checkbox"/>	Opportunity for Improvement (OFI)	<input type="checkbox"/>
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)					
Date	Aug 18, 2021		Remarks: (if any)			
3 CONFIRMATION				To be completed by Company		
Finding + classification is correct				<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No
Comments: (if any)						
4 ROOT CAUSE(S) of NC / OFI				To be completed by Company		
Remark: Oversight during the audit.						
5 CORRECTIVE ACTIONS TAKEN				To be completed by Company		
<p>Remarks: Reports on recording the sightings of wildlife and plants had been carried out immediately and properly led in MSPO file.</p> <p>Attachment 1: Documents and photos attached for your reference.</p>						
Date	Sept 13 2021		Name/Job of Management Representative	Mr. Anthony Tiang/ Estate Manager		Signature: 
6 CLOSURE of NC / OFI				To be completed by Lead Auditor		
Remarks / Evidence: The nonconformity raised in the audit has been resolved.						
Corrective Actions taken to close this NC or OFI has been implemented and found acceptable						
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No						
Date	Sept 14 2021		Dominic Retan Giah - Lead Auditor			Signature: 



MSPO INITIAL CERTIFICATION REPORT 2021



BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.4.2 CORRECTIVE ACTION REPORT [CAR] No. 2 of 7						Date: 18/8/2021	
FINDINGS				To be completed by Lead Auditor			
Standards		MSPO MS2530-3:2013		Reference		BQ/LJTSB/S2/08/2021	
Process, Area		Principle: 1	Criterion 3	Indicator 1	Management Review		
<p>MSPO Clause 4.1.3.1 states: "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 modifications."</p> <p>Details of Finding:</p> <p>To be improved: the meeting maybe further improved by discussing the findings of the previous Internal Audits (especially on non-conformance issues and opportunities for improvements, resources to close the findings, the person-I-charge and expected closing date).</p>							
2 CLASSIFICATION				To be completed by Lead Auditor			
Major Non-conformity		<input type="checkbox"/>	Minor-nonconformity	<input type="checkbox"/>	Opportunity for Improvement (OFI)		<input checked="" type="checkbox"/>
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)					
Date	Aug 18, 2021		Remarks: (if any)				
3 CONFIRMATION				To be completed by Company			
Finding + classification is correct				<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No	
Comments: (if any)							
4 ROOT CAUSE(S) of NC / OFI				To be completed by Company			
<i>Remark:</i> Oversight during the audit.							
5 CORRECTIVE ACTIONS TAKEN				To be completed by Company			
Remarks: Meeting had been held at Kuching Head Office via online ZOOM Meeting on resolving the 10 findings stated in Stage 1 audit. Minutes of meeting will be attached. Monthly or quarterly meeting will be held in Kuching Head Office with attendance of estate manager or estate representatives on solving issues faced by estate to ensure estate continual improvement.							
Date	Sept 17, 2021		Name/Job of Management Representative		Mr. Darren Lau / MSPO Coordinator		Signature: 
6 CLOSURE of NC / OFI				To be completed by Lead Auditor			
Remarks / Evidence:							
Minutes of Management Review meeting held on the 8 th June 2021 was attached and CAR accepted.							
Corrective Actions taken to close this NC or OFI has been implemented and found acceptable							
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
Date	Sept 14 2021		Dominic Retan Giah - Lead Auditor				Signature: 
7.4.3 CORRECTIVE ACTION REPORTS [CAR] No. 3 of 7						Date: 18/8/2021	



MSPO INITIAL CERTIFICATION REPORT 2021



BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

FINDINGS					To be completed by Lead Auditor		
Standards	MSPO MS2530-3:2013			Reference	BQ/LJTSB/S2/08/2021		
Process, Area	Principle:	1	Criterion:	4	Indicator	1	Continual Improvement
<p>MSPO Clause 4.1.4.1 states: "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>Details of Finding: To be improved: An action plan to incorporate activities related to consideration for social and environmental impacts would provide a robust control on implementation and improvement.</p>							
2 CLASSIFICATION					To be completed by Lead Auditor		
Major Non-conformity	<input type="checkbox"/>	Minor-nonconformity	<input type="checkbox"/>	Opportunity for Improvement (OFI)		<input checked="" type="checkbox"/>	
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)						
Date	Aug 18, 2021		Remarks: (if any)				
3 CONFIRMATION					To be completed by Company		
Finding + classification is correct					<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No
Comments: (if any)							
4 ROOT CAUSE(S) of NC / OFI					To be completed by Company		
<i>Remark:</i> Oversight during the audit.							
5 CORRECTIVE ACTIONS TAKEN					To be completed by Company		
Remarks: The action plans of MSPO requirements summarized in management plan for CIP, Doc No: LITSBOP/MSPO/P1/21, Dated: 22/8/21. Revision No: 1. After stage 2 audit, some action plans implemented to overcome the non-conformity, stated in Doc No: LITSBOP/MSPO/PI/21, Dated: 7/9/21, Revision No:2.							
Date	Sept 13 2021		Name/Job of Management Representative	Mr. Anthony Tiang/ Estate Manager		Signature: 	
6 CLOSURE of NC / OFI					To be completed by Lead Auditor		
Remarks / Evidence: The nonconformity raised in the audit has been resolved.							
Corrective Actions taken to close this NC or OFI has been implemented and found acceptable							
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
Date	Sept 14 2021		Dominic Retan Giah - Lead Auditor			Signature: 	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.4.4 CORRECTIVE ACTION REPORTS [CAR] No.4 of 7						Date: 18/08/2021	
FINDINGS						To be completed by Lead Auditor	
Standards	MSPO MS2530-3:2013			Reference	BQ/LJTSB/S2/08/2021		
Process, Area	Principle:	3	Criterion:	1	Indicator	3	Regulatory Requirement
<p>MSPO Clause 4.3.1.3 states: "The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force."</p> <p>Details of Finding: To be improved: Consider to include the last review date to make the Legal Register more relevant.</p>							
2 CLASSIFICATION						To be completed by Lead Auditor	
Major Non-conformity		<input type="checkbox"/>	Minor-nonconformity		<input type="checkbox"/>	Opportunity for Improvement (OFI) <input checked="" type="checkbox"/>	
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)					
Date	Aug 18, 2021		Remarks: (if any)				
3 CONFIRMATION						To be completed by Company	
Finding + classification is correct			<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		
Comments: (if any)							
4 ROOT CAUSE(S) of NC / OFI						To be completed by Company	
<p>Remark: Oversight during the audit.</p>							
5 CORRECTIVE ACTIONS TAKEN						To be completed by Company	
<p>Remarks: The review date on 27/8/2021 has been made on the Legal Register. The laws/ordinance/acts also distinguished in Federal Law and Sarawak State Law.</p> <p>Attachment 4: Documents and photos attached for your reference.</p>							
Date	Sept 13 2021		Name/Job of Management Representative		Mr. Anthony Tiang/ Estate Manager		Signature:
6 CLOSURE of NC / OFI						To be completed by Lead Auditor	
<p>Remarks / Evidence: Noted & verified, evidence submission received on 20/9/2021. Confirmed corrective action taken satisfactorily.</p> <p>Corrective Actions taken to close this NC or OFI has been implemented and found acceptable</p>							
				<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No	
Date	Sept 14 2021		Dominic Retan Giah Lead Auditor			Signature: 	



MSPO INITIAL CERTIFICATION REPORT 2021



BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.4.5 CORRECTIVE ACTIONS[CAR] No. 5 of 7						Date: 18/08/2021	
FINDINGS						To be completed by Lead Auditor	
Standards	MSPO MS2530-3:2013			Reference	BQ/LJTSB/S2/08/2021		
Process, Area	Principle:	4	Criterion:	5	Indicator	11	Employment conditions
<p>MSPO Clause 4.4.5.11 states: "In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation."</p> <p>Details of Finding: To be Improved: The housing inspected during the audit maybe further improved in consideration of worker safety, convenience and conducive habitation.</p>							
2 CLASSIFICATION						To be completed by Lead Auditor	
Major Non-conformity	<input type="checkbox"/>	Minor-nonconformity	<input type="checkbox"/>	Opportunity for Improvement (OFI)		<input checked="" type="checkbox"/>	
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)						
Date	Aug 18, 2021		Remarks: (if any)				
3 CONFIRMATION						To be completed by Company	
Finding + classification is correct			<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		
Comments: (if any)							
4 ROOT CAUSE(S) of NC / OFI						To be completed by Company	
Remark: Oversight during the audit.							
5 CORRECTIVE ACTIONS TAKEN						To be completed by Company	
Remarks: Some minor construction have been carried out to improve workers housing living standard. The seeking of external contractor in order to perform the cement construction tasks, like construct the cement Apron, back door & etc. Doc No: UTSBOP/MSPO/P4/21, Dated: 10/09/2021, Revision No:1							
Attachment 5: Documents and photos attached for your reference.							
Date	Sept 11 2021		Name/Job of Management Representative	Mr. Anthony Tiang/ Estate Manager		Signature: 	
6 CLOSURE of NC / OFI						To be completed by Lead Auditor	
Remarks / Evidence: Noted & verified, evidence submission received on 20/9/2021. Confirmed corrective action taken satisfactorily.							
Corrective Actions taken to close this NC or OFI has been implemented and found acceptable							
				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Date	Sept 14 2021		Dominic Retan Giah - Lead Auditor			Signature: 	



MSPO INITIAL CERTIFICATION REPORT 2021



BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.4.6 CORRECTIVE ACTION REPORTS [CAR] No. 6 of 7						Date: 18/08/2021	
FINDINGS						To be completed by Lead Auditor	
Standards		MSPO MS2530-3:2013		Reference		BQ/LJTSB/S2/08/2021	
Process, Area		Principle: 5	Criterion: 3	Indicator: 3	Waste management and disposal		
<p>MSPO Clause 4.5.3.3 states: "The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005. Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>Details of Finding:</p> <p>To be Improved: Consider to include another drum for contaminated soil (Sw 313) to accommodate storage and disposal of sand used as spill kit.</p>							
2 CLASSIFICATION						To be completed by Lead Auditor	
Major Non-conformity		<input type="checkbox"/>	Minor-nonconformity	<input type="checkbox"/>	Opportunity for Improvement (OFI)		<input checked="" type="checkbox"/>
Type of follow up		<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)					
Date	Aug 18, 2021		Remarks: (if any)				
3 CONFIRMATION						To be completed by Company	
<p>Finding + classification is correct <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Comments: (if any) To close CAR (corrective action report) recorded as Non-Compliance of Waste management and disposal.</p>							
4 ROOT CAUSE(S) of NC / OFI						To be completed by Company	
<p><i>Remark:</i> Oversight during the audit.</p>							
5 CORRECTIVE ACTIONS TAKEN						To be completed by Company	
<p>Remarks: The drums of SW313 to accommodate storage and disposal of sand used as spill kit have been made. The supporting photos attached for reference. Attachment 6: Documents and photos attached for your reference.</p>							
Date	Aug 25, 2021	Name/Job of Management Representative		Mr. Anthony Tiang/ Estate Manager	Signature: 		
6 CLOSURE of NC / OFI						To be completed by Lead Auditor	
<p>Remarks / Evidence: Noted & verified, evidence submission received on 20/9/2021. Confirmed corrective action taken satisfactorily.</p>							
<p>Corrective Actions taken to close this NC or OFI has been implemented and found acceptable</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>							
Date	Sept 14 2021	Dominic Retan Giah Lead Auditor		Signature: 			



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

7.4.7 CORRECTIVE ACTIONS [CAR] No. 7 of 7						Date: 18/08/2021	
FINDINGS						To be completed by Lead Auditor	
Standards	MSPO MS2530-3:2013			Reference	BQ/LJTSB/S2/08/2021		
Process, Area	Principle:	5	Criterion:	5	Indicator	1	Natural Water Resources
MSPO Clause 4.5.5.1 A states: "Assessment of water usage and sources of supply."							
Details of Finding:							
To be improved: The Water management plan may be further enhanced with an elaboration on estimated water usage for the category of activities.							
2 CLASSIFICATION						To be completed by Lead Auditor	
Major Non-conformity	<input type="checkbox"/>	Minor-nonconformity	<input type="checkbox"/>	Opportunity for Improvement (OFI)		<input checked="" type="checkbox"/>	
Type of follow up	<input checked="" type="checkbox"/> Document review (off-site audit and may be charged) <input type="checkbox"/> On site audit (effort required will be charged)						
Date	Aug 18, 2021		Remarks: (if any)				
3 CONFIRMATION						To be completed by Company	
Finding + classification is correct			<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		
Comments: (if any)							
4 ROOT CAUSE(S) of NC / OFI						To be completed by Company	
Remark: Oversight during the audit.							
5 CORRECTIVE ACTIONS TAKEN						To be completed by Company	
Remarks: The estimated of water usage for the category of activities has been stated and reviewed on water management plan, Doc No: UTSBOP/MSPO/P5/21, Revision No: 1.							
Attachment 7: Documents and photos attached for your reference.							
Date	Sept 5, 2021		Name/Job of Management Representative	Mr. Anthony Tiang/ Estate Manager		Signature: 	
6 CLOSURE of NC / OFI						To be completed by Lead Auditor	
Remarks / Evidence: Satisfactorily closed							
Corrective Actions taken to close this NC or OFI has been implemented and found acceptable							
				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Date	Sept 14 2021		Dominic Retan Giah Lead Auditor		Signature: 		



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

8.0 STAKEHOLDERS' CONSULTATION REPORT

8.1 CONSULTATION TECHNIQUE

Consultation Technique: (Can select more than one)	<input checked="" type="checkbox"/> Meeting (to submit list of participants if available) <input type="checkbox"/> Phone interview <input type="checkbox"/> Written views and comments (mail, email etc. based on pre-determined questions) <input type="checkbox"/> Research (internet, journal or other credible literature sources)
---	---

8.2 Questionnaires

No.	Criteria	Result	Remarks
1.	Is/Are this stakeholder registered in the organization's stakeholder list?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2.	Based on input received, is/are transparency of information between organization and stakeholder justified? (clause 4.2.1 & 4.2.2)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
3.	Any feedback, complaint or grievances raised by this/these stakeholder before? (If Yes, please briefly explain the nature of the feedback/ complaint/ grievance in Remarks)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
4.	If (3) above is Yes, does the organization handle the feedback/ complaint/ grievance appropriately?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
5.	Any land issue being raised during audit against the organization? (if Yes, does the issue been, or in progress of being resolved?)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

6.	Any social issue being raised during audit against the organization? (if Yes, does the issue been, or in progress of being resolved?)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
7.	Any environmental issue being raised during audit against the organization? (if Yes, does the issue been, or in progress of being resolved?)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
8.	Is the issue stated above being brought to the audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	

8.3 Stakeholders’ Consultation: Remarks, comments and opportunities for improvement:

A total of three (3) stakeholders were interviewed during the 2nd stage Audit. The three were Mr. Thum Moh Lah, sawn timber supplier from Lee Ling Timber Product Sdn Bhd (external stakeholder), Mr. Yet Nai Pang, logging main road provider and FFB Transporter and Mr. Heng Wei Ping, a representative of Limba Jaya Timber Sdn Bhd’s staff (internal stakeholders).

- With regards to the MSPO Certification Process undertaken by Limba Jaya Timber Sdn Bhd, All the stakeholders interviewed are aware of it and are involved in the process.
- Both the staff and FFB Transporter are happy with the working environment and contented facilities provided. There existed harmonious relationship between the Estate staff, workers and local community.
- When asked on whether they have any issues to raise up with the company, the staff and and FFB transporter worker said they do not have any issue to raise at the moment.

9.0 SUMMARY STATEMENT OF LEAD AUDITOR

Report Summary:

The purpose of this Stage 2 Audit is to evaluate the implementation, including effectiveness, of **Limba Jaya Timber Sdn Bhd’s** management systems and that the requirement of the Standards MS2530-3:2013 is fulfilled.

There were seven (7) findings; of which only one (1) was Minor Ns and six (6) OFIs in this State 2 Initial Certification Audit affecting the Certification of LJTSB Oil Palm Plantation under MSPO2530-3:2013.

The minor NC and all the six (6) OFIs were closed on the 14th September 2021.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

The audit objectives have been achieved and the certificate scope remains appropriate. Based on the audit findings the audit team concluded that:

1. The management system documentation demonstrated conformity with the requirements of the MSPO audit standard and provided sufficient structure to support implementation and maintenance of the management system.
2. The management system is in line with the requirements of the MSPO standard and demonstrated the ability of the system to systematically achieve agreed requirements for products or services within the scope and the organization's policies and objectives.
3. All Nonconformities raised during the previous audit has been corrected and Corrective Action or Corrective Action Plan has been carried out and implemented effectively .
4. Throughout the audit process, the management system demonstrated overall conformance with the requirements of the audit standard.

Therefore, the audit team recommends that, based on the results of this audit and the organization commitment towards complying with **MSPO (MS2530-3:2013) - Part 3: General Principles for** General Principles for Organized Smallholders and Palm Oil Plantation management system certification be approved for **Limba Jaya Timber Sdn Bhd - Oil Palm Plantation.**

10. CONCLUSION

In reference to MS 2530-4:2013, BQAS Management hereby approved of:

Issuance of the certificate.

Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.

Maintenance of the certificate.

Maintenance of the certificate as soon as implementation of corrective action has been demonstrated.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

11. AUDIT PROGRAM

Item	Description	Man-Days	Tentative Dates
Initial Certification Audit	Remote Audit - Stage 1	2	30 & 31 05 2021
	Site Audit - Stage 2	4	17 & 18 08 2021
Annual Surveillance Audit – Year 1	Site Audit	4	August 2022
Annual Surveillance Audit – Year 2	Site Audit	4	August 2023
Annual Surveillance Audit – Year 3	Site Audit	4	August 2024
Annual Surveillance Audit – Year 4	Site Audit	4	August 2025

Refer to ANNEX 6: Details of Audit Plan for the Stage 2 Initial Certification Audit.

Note: The actual date of the first annual surveillance audit will be discussed and decided 3 months prior to the month of planned audit.

12.0 OFFICIAL SIGN OFF

12.1 Signing by the Client

This is to acknowledge and confirm the Audit Visits/Assessments described in this Report and the Acceptance of the Contents and Findings in the said Audit Report.

I also confirm:

- Acceptance of liability in execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of BQAS Certifications.
- That during the closing meeting all agenda items were covered by the Lead Auditor.

Acknowledged by:

Name: Anthony Tiang Cheng Wei

Position: Estate Manager

Date: 12 10 2021

Signature



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021


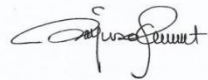
12.2 Signing by the Lead Auditor

Based on the Findings/Action taken by Auditee/Closures above, **LIMBA JAYA TIMBER SDN BHD [LJTSB]** had been able to demonstrate generally its compliance to and with requirements of the Standard MSPO MS2530- 3:2013 under General Principles for Oil Palm Plantations & Organized Smallholders. Therefore, it is recommended that the Initial Certification of LJTS be approved.

Acknowledged by:		
Name:	Dominic Retan Giah	
Position:	Lead Auditor	
Date:	12 th October, 2021	
		Signature

12.2.1 Recommendation by Peer Reviewers

I/We have gone through the responses to the issues I had raised in my review of above project and are satisfied with them. I/We have no objections to the acceptance of the Assessment **LIMBA JAYA TIMBER SDN BHD**. Based on the Findings/Action taken by Auditee/Closures, agreed the **LIMBA JAYA TIMBER SDN BHD** had been able to demonstrate its compliance with the MSPO MS2530-3:2013 Standard for Oil Palm Plantations & Organized Smallholders. Therefore, it is recommended that the Initial Certification of **LIMBA JAYA TIMBER SDN BHD** of Plantations be approved.

Signature 	Signature 
--	---

Name: MOHD FAIRUZ BIN ALI MSPO Peer Reviewer Plantation Management	Name: Mohd Yusof Nekmat MSPO Peer Reviewer Plantation Technical Expertise
Date of Review: 24TH OCT 2021	Date of Review : 18th OCT 2021



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

12.2.3 Technical Reviewer Assessment After Peer Review

I have gone through the responses by the peer reviewers and confirmed that the Audit team have responded to the peer review comment in satisfactory manner. All manner required to be incorporated into the have been done in satisfactory manner.

Signature

Name: Dr. Anthony Tibok

Date of acceptance: 29th October 2021

12.3 Signing by the Technical Reviewer

I the undersigned, being the **Technical Reviewer**, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information. I hereby certified that this audit report is in accordance with the requirement of the MSPO Certification Standard and that Limba Jaya Timber Sdn Bhd - Oil Palm Plantation can be approved for MSPO Certification.

Acknowledged by:

Name: **Dr. Anthony Tibok**

Position: **Technical Reviewer**

Date: **29th October 2021**

Signature

Confidentiality

The content of this report and all information received in association with the audit of the subject organization will be maintained in the strictest confidence by the members of the audit team and by BQAS, in accordance with prior agreement.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Annex / Enclosures	
Annex / Corresponding Audit Documentation	√ ANNEX 1 : Locality Map (Google Map)
	√ ANNEX 2 : Topography Map of LJTSB - OP Plantation
	√ ANNEX 3 : Soil Map of LJTSB - OP Plantation
	√ ANNEX 4 : Blocks Map of LJTSB - OP Plantation
	√ ANNEX 5 : Principle & Criteria Audit Report/Checklist(s)
	√ ANNEX 6 : Audit Plan
	√ ANNEX 7 : Stage 1 Audit Report
	√ ANNEX 8 : List of Abbreviation



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

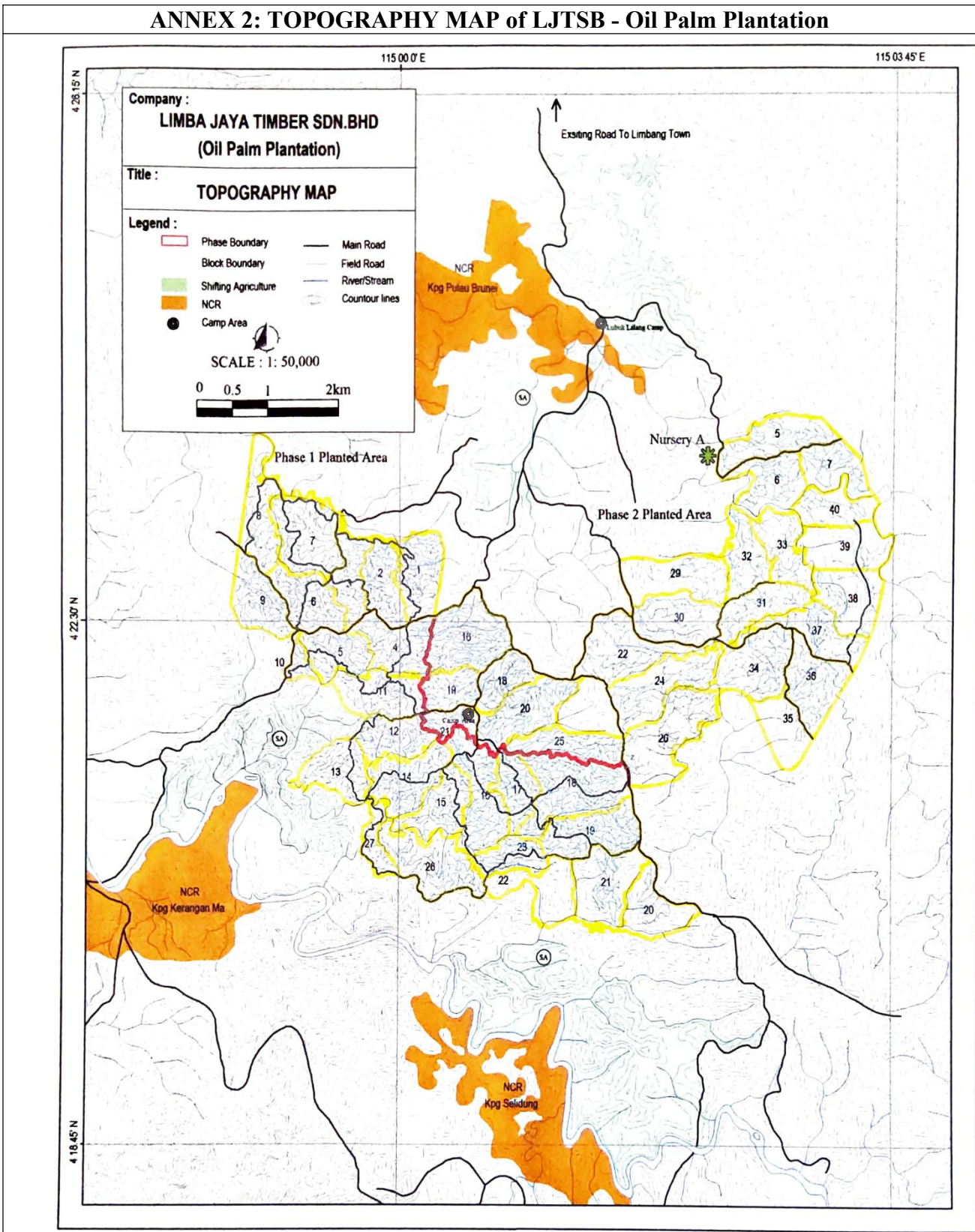
Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

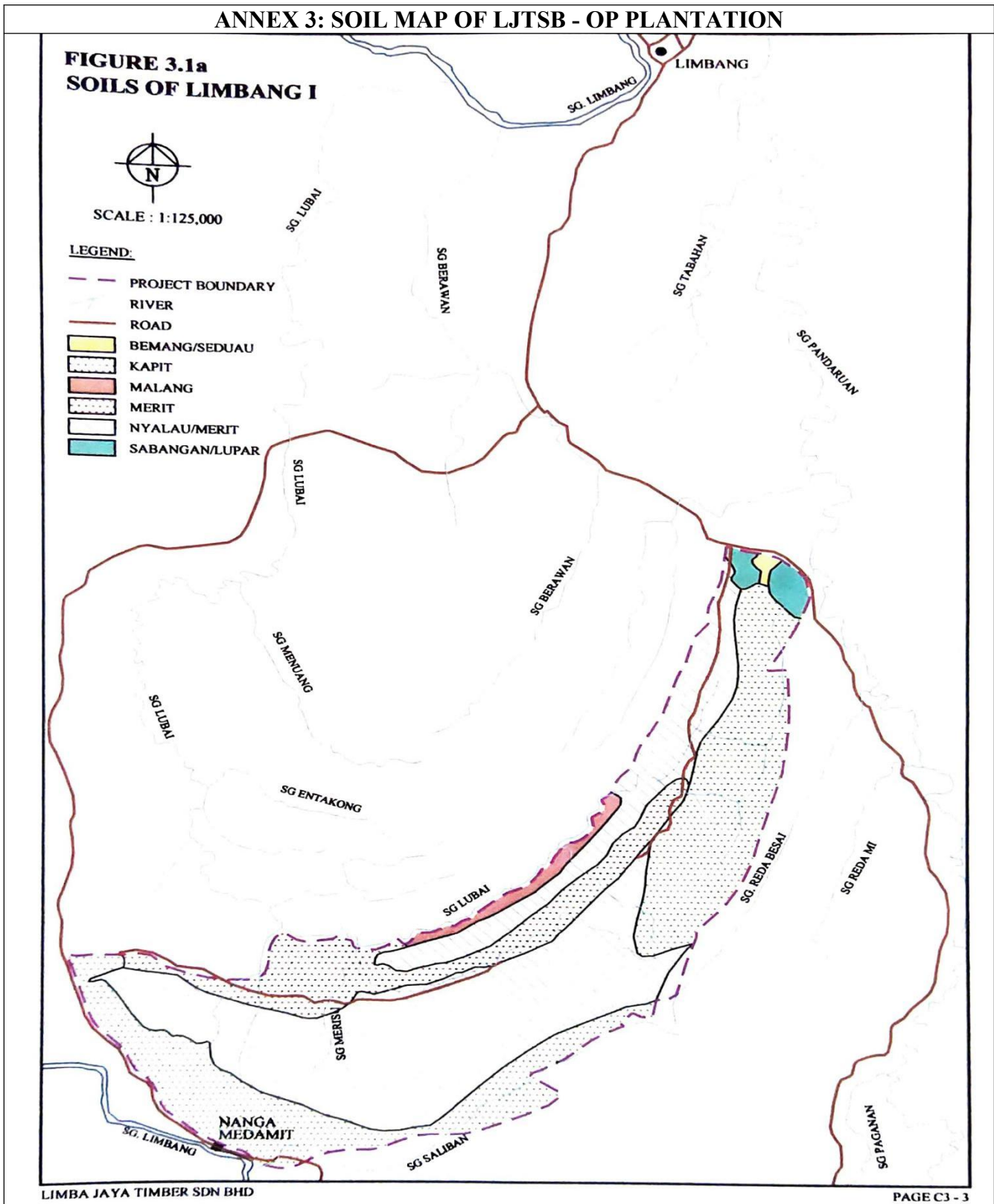
ANNEX 1: LOCALITY MAP OF LJTSB - OP PANTATION (Google Map)



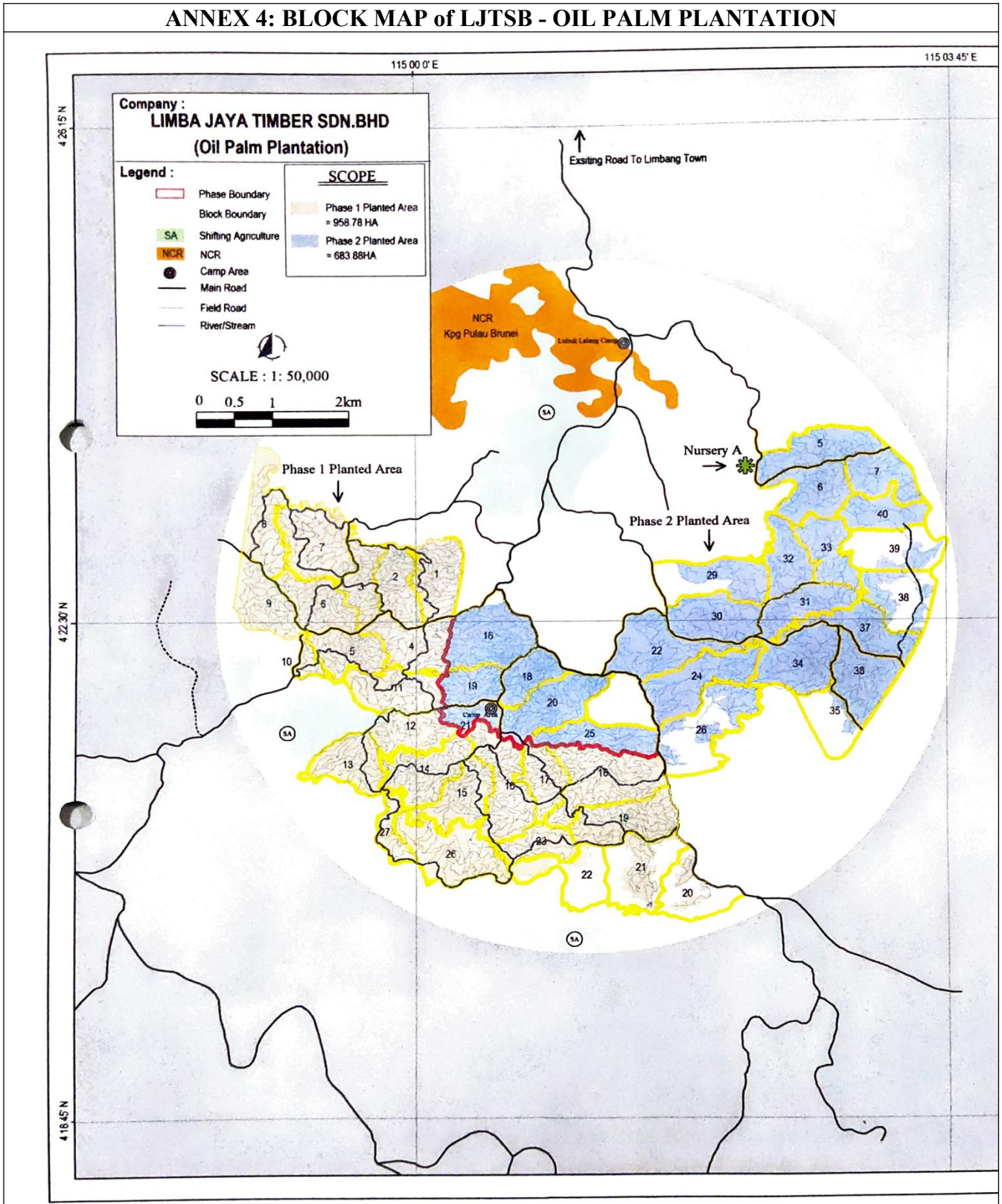
ANNEX 2: TOPOGRAPHY MAP of LJTSB - Oil Palm Plantation



ANNEX 3: SOIL MAP OF LJTSB - OP PLANTATION



ANNEX 4: BLOCK MAP of LJTSB - OIL PALM PLANTATION





MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

ANNEX 5 : Principle & Criteria Audit Report/Checklist(s)

Company Name & Registration No:		Limba Jaya Timber Sdn Bhd (647799-A)	
Certifying Unit:		Individual Certification	
Main Address:		Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak	
Site Name:		Limba Jaya Timber Sdn Bhd – Oil Palm Plantation	
Primary Function:		<input checked="" type="checkbox"/> Plantation/Organized Smallholders	<input type="checkbox"/> Mill
Site Address:		LPF/0038, Phase 1 & 2, Ulu Medamit, Sepapit Camp, 98700 Limbang, Sarawak	
Management Contact Details			
1.	Name: Anthony Tiang Cheng Wei	Job Title: Manager	
	Mobile: 013 8252229	Tel:	Email: luanthony82@gmail.com
2.	Name: Darren Lau Lee Ming	Job Title: MSPO Coordinator	
	Mobile: 016 8988896	Tel: 082 230167	Email: darren8381@gmail.com
Date of Audit		17-18/08/2021	
Audit Team Members		Team Leader/Lead Auditor	Dominic Retan Giah
		Team Member/Auditor	Douglas Alau Tayan

PRINCIPLE 1 MANAGEMENT COMMITMENT & RESPONSIBILITY			
Criterion 4.1.1: Malaysian Sustainable Palm Oil (MSPO) Policy			
Indicator	Requirement	Compliance	Findings
4.1.1.1	A policy for the implementation of MSPO shall be established.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted MSPO Policy of Limba Jaya Timber SB – Oil Palm Plantation Ref. no. LJTSB/MSPO/EM/P1.1.1/2020/01; signed by Mr Roger Tiang Chin Yew, Managing Director on 28/12/2019
4.1.1.2	The policy shall also emphasize commitment to continual improvement.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The policy declared LJTSB's commitment to sustainable oil palm development & operation through MSPO implementation and for continual improvement.
Criterion 4.1.2: Internal audit			
Indicator	Requirement	Compliance	Findings
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The SOP defines that the internal audit of areas to be covered shall be conducted once a year. Corrective actions may be raised following an internal audit or regulatory audit where non-conformance have been observed.
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated,	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor	SOP sighted: MSPO/LJTSBOP/SOP/IA/P1/20; Eff. Date: 28/12/2019; Issue No. 1.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.	<input type="checkbox"/> NC - Major	
4.1.2.3	Report shall be made available to the management for their review.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The report on the internal audit (conducted on 30/06/2021) is included as a summary of the audit findings.</p> <p>The findings of the IA on 30/06/2021 were:</p> <ul style="list-style-type: none"> • Conformity: 114 • NC: 0 • OFI: 8
Criterion 4.1.3: Management review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Based on the minutes of meeting, the Management Review was held (via Zoom Meeting) on 15/05/2021, attended by 7 personnel chaired by the Managing Director Mr Roger Tiang.</p> <p>The meeting covered salient points in the MSWPO principles relevant to the present operations such as:</p> <ul style="list-style-type: none"> • Employment conditions • Environmental management plan • Waste management & disposal <p>OFI: The meeting maybe further improved by discussing the findings of the previous internal audits (especially on non conformance issues and opportunities for improvement, resources to close the findings, the person-in-charge and expected completion date).</p>
Criterion 4.1.4: Continual improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>LJTSB has several loose documents (quotations for infrastructure improvement, storage construction and workshop renovation) related to ongoing and proposed activities for social and environmental improvements.</p> <p>OFI: An action plan to incorporate activities related to consideration for social and environmental impacts would provide a robust control on implementation and improvement.</p>
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Among the practices discerned are through:</p> <ol style="list-style-type: none"> 1) Company bulletins, memos and circulars on the estate noticeboard 2) Discussion & briefing with suppliers and subsequent training
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor	<p>LJTSB is engaged on providing:</p> <ol style="list-style-type: none"> 1) Job opportunities with a focus for local residents



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	<p>techniques or new industry standard or technology (where applicable) shall be established.</p>	<p><input type="checkbox"/> NC - Major</p>	<p>2) Employment conditions – housing 3) Training – with respect to application of fertilizer and chemicals 4) Work renovation 5) Improvement on stores</p> <p>The LJTSB head office in Kuching makes arrangement for these activities by providing budget allocation and contacts.</p>
--	---	--	---

PRINCIPLE 2 TRANSPARENCY

Criterion 4.2.1: Transparency of information and documents relevant to MSPO requirements			
Indicator	Requirement	Compliance	Findings
4.2.1.1	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major</p>	<p>LJTSB practices 2-way communication with its employees and external stakeholders to share information for effective work execution and timely transaction. Noted: display of company documents, memos, bulletins and circulars on the office noticeboard, workshop & stores, camp canteen and the guard house at the main entrance.</p>
4.2.1.2	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>	<p><input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major</p>	<p>Company documents and MSPO policies are available on the office walls and noticeboards. Further information may be provided by filling up of a Request Form for Information and Documents specifying the details of the requester and the information he needs. The information is released upon approval by the Estate Manager.</p>
Criterion 4.2.2: Transparency method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major</p>	<p>The Communication Procedure is prepared for External Procedure (Doc. Ref. No.: MSPO/JLSBOP/SOP/PEC/P2/20; Eff. Date 28/12/2020) and Internal Procedure (Doc. Ref. No.: LJOPSB/MSPO Rev. No. 1; Date: 07/05/2021).</p>
4.2.2.2	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major</p>	<p>The PIC is Mr Ariffin Samporai (Letter of Appointment – Transparency and Communication Officer ref. no. LJTSB/OP/MSPO/2020-03 dated 16/03/2020 signed by the MD Mr Roger Tiang Chin Yew.</p>
4.2.2.3	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major</p>	<p>Sighted: List of Stakeholders doc. No. MSPO/LJTSBOP/P2/SH/001, Rev. No. 00, review date: 10/06/2021 comprising suppliers, contractors and government agencies (60 in all).</p>
Criterion 4.2.3: Traceability			
4.2.3.1	<p>The management shall establish, implement and maintain a standard</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI</p>	<p>LJTSBOP/MSPO/PS2/20, Eff. Date: 28/12/2019 establishes the process in the estate of capturing the paper trail of FFB</p>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	operating procedure to comply with the requirements for traceability of the relevant product(s).	<input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	from harvesting to the weighbridge for delivery to the mill.
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Monitoring and recording are done by several assigned personnel from the harvester, truck driver, weighbridge clerk, FFB grader/checker, administration clerk and the estate manager.
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The PIC is Mr Ariffin Samporai (Letter of Appointment – Transparency and Communication Officer).
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sample sighted: <ul style="list-style-type: none"> • LJTSB Delivery Order No. 5916 dated 12/08 for the delivery of 656 bunches from Block 1, 16, 7 & 9 onboard QAA779Q. • Lee Ling Group of Companies (Limba Jaya Oil Palm Plantation) FFB Despatch Note No. 5916 dated 12/08/2021 from Block 1, 16, 7 & 9 at 656 bunches dispatched to Biogrow Oil Mill. • Biogrow City Plantations S/B (Biogrow Oil Mill) weighbridge advice ticket No 071522 dated 12/08/2021 indicating receipt of 11,820 kg from LJTSB. • FFB Production for the Month of July 2021 indicating 404.04 MT delivered to the mill on 35 trips. Average bunch weight (ABW) for the month was 16.38 kg.

PRINCIPLE 3 COMPLIANCE TO LEGAL REQUIREMENTS

Criterion 4.3.1: Regulatory requirements

Indicator	Requirement	Compliance	Findings
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Among some of the regulations that LJTSB adheres to are: <ul style="list-style-type: none"> • MPOB, Licence No. 540013002000 expiring on 31/05/2022. • Valid Trade Licence No. 1033724 expiring on 28/12/2021. • Renewed Certificate of Registration No. R.0003/2005(LPF/0038) from the Sarawak Forest Department ref. no. (69)JHS/WPOI/P/619(V) dated 19/01/2021. • Diesel permit issued to the parent company Lee Ling Timber (Ser. No. Q002062) for the purchase and storage of 100,000 litres for distribution to subsidiaries (such as LJTSB), for the period 06/07/2021 – 05/07/2022.

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

4.3.1.2	The management shall list all laws applicable to their operations in a legal requirement register.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted: LJTSB Legal Register comprising 77 items, among them: <ul style="list-style-type: none"> • Electricity Supply Act 1990 Electricity Regulations 1994 • Communication & Multimedia Act 1998 • Akta Simpanan Pekerja (EPF) • SOCSO Act • Control of supplies Act 1961 • Environment Protection (Prescribed Activities) Order 2005
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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	LJTSB document Compliance to Legal Requirements doc. No. LJTSBOP/MSPO/PS3, Eff. Date 28/12/2019 specifies that the Legal Register shall be updated as and when there are any new amendments come into force. OFI: Consider to include the last review date to make the Legal Register more relevant.
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The person-in-charge for the process is Mr Juleus Sambau anak Ipang (appointed 16/03/2020 ref. no. LJTSB/OP/MSPO/2020-04 by the MD).
Criterion 4.3.2: Land 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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The land on which the LJSB Plantation is established is State Land designated for forest plantation a portion of 20% totaling 2, on which the LJSB can plant with oil palm 25 years.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Limba Jaya Timber Sdn Bhd has a 60-year Lease for Planted Forest from 06/12/2004n to 05/12/2064 ref. no. LPF/0038 with a Certification of Registration R.0003/2005 renewable every year. The next expiry date is 05/01/2022.
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The estate boundary is marked using a 2" diameter PVC pipe of 4' length and painted red. The boundary map of Limba Jaya oil palm plantation is available on a scale of 1:50,000.
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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	No applicable as there is no NCR involved, the area being State land.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	with free prior informed consent (FPIC).		
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable as this is State land.
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The boundary map of Limba Jaya oil palm plantation is available on a scale of 1:50,000 but no NCR land is denoted as the area is State land.
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable due to the State land status of the area.

PRINCIPLE 4 SOCIAL RESPONSIBILITY, HEALTH, SAFETY & EMPLOYMENT CONDITIONS

Criterion 4.4.1: Social impact assessment (SIA)

Indicator	Requirement	Compliance	Findings
4.4.1.1	Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Social Impact Management Plan was conducted by Eco Alam Sinar Sdn. Bhd., and the report was done on 21 June 2021.

Criterion 4.4.2: Complaints and grievances

4.4.2.1	A system for dealing with complaints and grievances shall be established and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	A system for dealing with complaints and grievances sighted as General Procedure Guideline No: MSPO/LJTSBOP/SOP/CHP/P/01/20- Handling of Complaints and Grievances, established on 28 th December 2019 , approved and signed by the Estate Manager.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The flowchart of the Handling Complaint and Grievances SOP Doc. viewed in MSPO/LJTSBOP/SOP/CHP/P/01/20, dated 28 th December 2019, indicated acceptable system in resolving disputes in effective, timely and appropriate manner, which is acceptable by all parties. Normally, corrective action done immediately after complains received, one to three days.
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Complaints Form available and is stated in the SOP.
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Employees and the surrounding communities are aware of the 'Complaints and Grievances SOP' being implemented by LJTSB.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Five Complaints and/or Grievances had been received as of audit time and all corrective action had been taken.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Sighted CSR policy No. LJTSBBOP/MSPO/EM/P4.3.1/2020/01, approved and signed by MD, Mr. Robert Tiang Chiin Yew, dated 28.12.2019. Sponsorship of gifts to surrounding villages in terms of cash and kinds, for Gawai Dayak and Christmas celebrations. Sighted, record of gifts.
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The occupational safety and health policy is sighted for Limba Jaya S/B, policy No.: LJTSBOP/MSPO/EM/P4.4.1, established on 28 th December 2019, approved and signed by the MD and plan was viewed to be in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act139). Safety and Health issues were discussed during briefings conducted during Muster Call sessions.
4.4.4.2	The occupational safety and health plan shall cover the following:		
A.	A safety and health policy, which is communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The safety and health policy is available in the Office File, established on 28 th December 2019, approved and signed by the MD.
B.	b) The risks of all operations shall be assessed and documented	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	HIRARC in assessing risks of all operation was well documented in the MSPO file, established on 28 th December 2019, approved and signed by the MD.
C.	An awareness and training program which includes the following requirements for employees exposed to pesticides:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Training is an ongoing process and Training Matrix is available and sighted entitled : Training Programme with Workers (2021). Briefing on MSPO to workers on 16 th February 2020.
C.1	All employees involved shall be adequately trained on safe working practices; and	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	All workers were adequately trained on safety working practices during Muster Calls session and during training for new field workers.
C.2	All precautions attached to products shall be properly observed and applied.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Safety Data Sheet available in Chemical safety Data Sheet File and briefings on workers' safety conducted during muster call and also during work implementation.
D.	The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	During site visit on 17 th August 2021, the workers and staffs were using appropriate PPE to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).		
E.	The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The SOP for chemical handling and storage, MSPO/LJSBOP/SOP/CM/P4/20, can be viewed in file, titled Chemical Control, established on 30/03/2020, endorsed by the Estate Manager. The SOP was found to be in accordance to Occupational Safety Health (Classification, Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
F.	The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Letter of Appointment for Mr. Edward Jeli as Person In Charge of Safety dated 16 th March, 2020 signed by Mr. Roger Tiang Chiin Yew, the Managing Director.
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 meetings are kept and the concerns of the employees and any remedial actions taken are recorded	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The Safety and Health PIC is tasked to conduct the necessary requirement for the health. Safety and welfare of the employees.
H.	Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	SOP is available filed as Doc. No. MSPO/LJTSBOP/SOP/EPRP/P4/20.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Mr. Dusit Anak Alin is in-charge of the First Aid for the estate management. Letter of Appointment signed by Estate Manager, dated 16 th March 2020.
J.	Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Any accidents are to be recorded and can be viewed in the folder Accident/Incident record/Monthly Performance Record. The record will be reviewed during Occupational Safety and Health Committee meetings.
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish policy on good social practices regarding human	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The priority for Limba Jaya Estate as stated in its Social Policy and Objectives, Policy No.: LJTSBOP/MSPO/EM/P4.5.1/2020/01, Limba



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.		Jaya is committed, as far as practicable; to improve the quality of life of the rural communities participating in its land development programme. The policy was approved and signed by Limba Jaya Managing Director, Mr. Robert Tiang Chiin Yew, on 28 th December 2019.
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, color, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>The Manager and Cadet/Assist. Manager are both Sarawakian Chinese and the three supervisors are all Sarawakian Ibans. Harvesters and general workers are mainly Indonesians.</p> <p>There is no indication that the management practices and discrimination in regards to race, color, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p>
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Based on one the workers pay slips and employment contracts, Mr Francis Medan, worked as Manager, his wages of the month of September 2020 found to meet legal or industry minimum standards as per collective agreement.
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Not applicable. No contractors involved.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	FFB record done by estate's employees. Detail record include Block No., Block Phase, Matured palms, SPH, No. of Palms, Bunch Counts sighted in the Monthly Crop Declaration Form.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The contract of Ms Ester Loyala Anak Anyai, seem to be fair and signed by the Managing Director. According to the staff, a copy of the employment contract was given to them upon signing.
4.4.5.7	The management shall establish a time recording system that makes working	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<ol style="list-style-type: none"> Contract Claim Sheet system to record the working hours and overtime. The payment slip showed deduction of



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	hours and overtime transparent for both employees and employer.	<input type="checkbox"/> OFI	EPF and SOCSO, working days, weekends and public holidays works, wages advancement and allowances. 3. General Clerk's Salary Slip available, and being given production incentive in addition to her monthly salary.
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 and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The working hours and breaks as showed in the salary and daily paid worker slips, are viewed to be comply with the legal regulations and collective agreements.
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Incentives given in-lieu of overtime to deserving staff.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Wages and overtime documented on the pay slips as shown in Ms Ester Loyala was viewed to be in line with legal regulations and collective agreements.
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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	Based on Ms Ester's employment contracts, there were incentives for good performance given to the workers, free living quarters, annual holidays, free medical care and promotions to be evaluated by the management. The performance appraisal will be conducted by their immediate Superior, using the Borang Sasaran Kerja Tahunan (SKT). OFI: Can be further improved in consideration of worker safety, convenience and conducive habitation.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	1. Sighted Sexual Harassment Policy, No.: LJTSBOP/MSPO/EM/EM/P4.5.12/2020/01, signed by MD, Mr. Roger Tiang Chiin Yew, dated 28 th December 2019.
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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	In the Social policy and Objectives or any other documented policies, Limba Jaya respect the rights of all employees the freedom of associations including the rights to join trade unions of their choice and to bargain collectively.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	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.		
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The are no child labor employed at the estate.
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees, contractors and relevant smallholders are appropriately trained. A training program (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	I) Viewed in the titled Training Programme for Year 2020 and Year 2021, endorsed and signed by the Estate Manager, all employees were appropriately trained.
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training program in order to provide the specific skill and competency required to all employees based on their job description.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The training program and plan for the LJTSB estate is based on Training Recommendations for Estate Personnel, attached at the folder Training Record, with pictorial evidence of training conducted kept in the file.
4.4.6.3	A continuous training program 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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The continuous training program for 2020 - 2021 can be viewed at the file Training For Estate.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

PRINCIPLE 5 ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY & ECOSYSTEM SERVICES			
Criterion 4.5.1: Environmental management plan			
Indicator	Requirement	Compliance	Findings
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted: Environment, Natural Resources, Biodiversity and Ecosystem Services, Doc. No. LJTSB/MSP[O/P5/20; Eff. Date 28/12/2019 which discusses the Env. Policy & EMP signed by the MD Mr Roger Tiang Chiin Yew.</p> <p>The policy is displayed on the office wall, as well as on noticeboards at the canteen and at the various stores.</p> <p>Aspects of the policy are mentioned during the morning muster for small work groups.</p>
4.5.1.2.	The environmental management plan shall cover the following:		
A.	An environmental policy and objectives	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The policy declares LJTSB's commitment to</p> <ul style="list-style-type: none"> Operate in compliance with relevant Environmental Laws and Regulations Prevent pollution by managing waste based on prescribed laws Ensure that all stakeholders are informed, given instructions and training Promote environmental awareness among employees Give priority to environmental care for any activities
B.	The aspects and impacts analysis of all operations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The LJTSB Register or List of Environmental Aspects comprises the following:</p> <ul style="list-style-type: none"> Aspect of emission to air & its impact being the reduction of air quality & objectionable smell in the surroundings Releases to river water leading to river water pollution through runoff OSH non-adherence leading to injuries, sprayer got poisoned Local issues leading conflict
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>LJTSB Oil Palm Plantation has prepared a list of locations or work station with aspects that pollute in the plantation:</p> <ul style="list-style-type: none"> Workers quarters (open burning, waste disposal, food waste, oil spillage) Storage areas (used & empty containers, diesel tank, used tyres) Plantation blocks (spraying & manuring activities, estate drains, dust from roads in use) Generator house (emission of smoke, noise & spillage) Landfill (excavation for pits, small from disposed garbage) <p>For each location or work station, a set of mitigation measures are recommended such as:</p> <ul style="list-style-type: none"> Meeting with stakeholders Recycling program



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

			<ul style="list-style-type: none"> • Triple rinsing • Regular maintenance of machinery • Adherence to estate SOPs • Speed limit for vehicles • Monitoring of activities
4.5.1.4	A program to promote the positive impacts should be included in the continual improvement plan.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>This is incorporated in the above list of polluting activities or locations such as:</p> <ul style="list-style-type: none"> • Recycling or reuse • Regular monitoring • Regular maintenance • Speed limit for vehicles (noted at 20kmph within the camp complex)
4.5.1.5	An awareness and training program 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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted: Training Program for 2021 doc. No. LJTSBOP/MSPO/TP/20, eff. Date 28/12/2019, issue no. 1 which covers among others:</p> <ul style="list-style-type: none"> • Environmental management (triple rinsing, riparian buffers, open burning) • Harvesting • Weeding • PPE • Pruning • Operation of vehicles • Road maintenance
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>During the present pandemic, a Community Briefing is only conducted when really needed or at least 3 times a year. The last Community Briefing was held on 10/05/2021 attended by 7 personnel. Among the issues discussed were:</p> <ul style="list-style-type: none"> • Breeding of livestock within the compound of living quarters • Avoid broadcasting of fertilizer into buffer zone • No spillage in the workshop • Advise local communities against open burning in proximity to the plantation
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate time frame. 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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted: LJTSB (Oil Palm Plantation) Summary of Fuel, Oils and Lubricants (FOL) for 2020.</p> <p>Noted the annual consumption of the following:</p> <ul style="list-style-type: none"> • Diesel at 219,140 litres (RM482,108 at RM2.2/litre); the average monthly consumption is 18,261.7 litres. • Petrol at 0 litres • Engine oil 15W-40 at 3,265 litres (RM22,855 at RM7/litre); the average monthly consumption is 272.08 litres. • Hydraulic oil 68 at 520 litres (RM3,380 at RM6.5/litre); the average monthly consumption is 43.33 litres.
4.5.2.2	The oil palm premises shall estimate the direct usage of	<input checked="" type="checkbox"/> Yes	<p>As noted above, the average consumption on a monthly basis for the year 2020 is as follows:</p>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	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.	<input type="checkbox"/> OFI <input type="checkbox"/> NC – Minor <input type="checkbox"/> NC – Major	<ul style="list-style-type: none"> • Diesel at 18,261.7 litres. • Engine oil 15W-40 at 272.08 litres. • Hydraulic oil 68 at 43.33 litres.
4.5.2.3	The use of renewable energy should be applied where possible.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The entire plantation camp complex is supplied with electricity from diesel generators. Only the more isolated guardhouse at the main entrance has electricity from solar panels.
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	Waste products and sources of pollution shall be identified and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted: Waste Handling for Disposal SOP doc. No. MSPO/LJTSBOP/SOP/WHD/P5/20; eff. Date 28/12/2019; issue no. 1 which provides the procedures for handling: <ul style="list-style-type: none"> • Recyclable waste (used cartons/boxes/plastic/drum/paper & plastic bags) • General waste (used trash from office/waste from the canteen) • Scheduled waste (laboratory waste/maintenance waste)
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:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The waste management plan is included in the Waste Handling for Disposal SOP doc. No. MSPO/LJTSBOP/SOP/WHD/P5/20.
A	Identifying and monitoring sources of waste and pollution	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Among the waste types and their sources listed in the SOP for waste handling & disposal are: <ul style="list-style-type: none"> • Household waste from the kitchen • Paper wastes from the office • Boxes from packaging/supplies • Spent hydraulic oil from machinery • Used fertilizer bags from fertilizer applications
B.	Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Paper wastes are recycled. Used oil is disposed as scheduled waste but a neighbouring timber camp is using it as lubricant for chainsaws. Scarp metal is collected in a designated lot away from the workshop doe eventual disposal to a scrap merchant.
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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The SOP for handling used chemicals is described in Waste Handling and Disposal doc. No. MSPO/LJTSBOP/SOP/WHD/P5/20. As of now, LJTSB has 3 types of scheduled waste in its store with the following quantity as of 31/07/2021: <ul style="list-style-type: none"> • SW 305 – spent hydraulic (201 litres) • SW 306 – spent lubricant (0 litre) • SW 307 – waste oil & water mixture (0 litre) All scheduled waste is collected by the parent company Lee Ling Timber for bulk delivery by



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

			<p>barge to Kuching for treatment and disposal.</p> <p>OFI: Consider to include another drum for contaminated soil (SW 313) to accommodate storage and disposal of sand used as spill kit.</p>																																										
4.5.3.4	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national program on recycling of used HDPE pesticide containers.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Empty chemical containers are stored in a shipping container for eventual collection by a buyer in Kuching.																																										
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Landfill in the plantation Block 15 Geo-coordinates:																																										
Criterion 4.5.4: Reduction of pollution and emission																																													
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The LJTSB (Oil Palm Plantation) Summary of FOL for 2019 & 2020 records, among others the following consumption data for diesel, engine oil & hydraulic oil (in litres):</p> <table border="1"> <thead> <tr> <th>Type of FOL</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>Diesel</td> <td>262,207</td> <td>219,140</td> </tr> <tr> <td>Engine oil (15W-40)</td> <td>4,089</td> <td>3,265</td> </tr> <tr> <td>Hydraulic oil 68</td> <td>846</td> <td>520</td> </tr> </tbody> </table> <p>The main pollutants as identified in the LJTSB Register or List of Environmental Aspects are:</p> <ul style="list-style-type: none"> • Aspect of emission to air • Oil spillage to river water leading to river water pollution through runoff <p>GHG Emission Measurement as per record below:</p> <table border="1"> <thead> <tr> <th>Material</th> <th>Total</th> <th>Unit</th> <th>EF</th> <th>GHG V</th> </tr> </thead> <tbody> <tr> <td>Electricity</td> <td>N/A</td> <td>KWH</td> <td>0.89</td> <td>N/A</td> </tr> <tr> <td>Diesel</td> <td>219,140</td> <td>Liter</td> <td>3.14</td> <td>688,099.6</td> </tr> <tr> <td>Petrol</td> <td>NIL</td> <td>Liter</td> <td>3.17</td> <td>N/A</td> </tr> <tr> <td>Lubricant</td> <td>3,892</td> <td>Liter</td> <td>0.95</td> <td>3,697.4</td> </tr> <tr> <td>Total</td> <td>223,032</td> <td></td> <td></td> <td>691,797.0</td> </tr> </tbody> </table> <p>FFB Production = 8,660.51 mt GHG Emission = 79.88 kgCO₂e/mt FFB</p>	Type of FOL	2019	2020	Diesel	262,207	219,140	Engine oil (15W-40)	4,089	3,265	Hydraulic oil 68	846	520	Material	Total	Unit	EF	GHG V	Electricity	N/A	KWH	0.89	N/A	Diesel	219,140	Liter	3.14	688,099.6	Petrol	NIL	Liter	3.17	N/A	Lubricant	3,892	Liter	0.95	3,697.4	Total	223,032			691,797.0
Type of FOL	2019	2020																																											
Diesel	262,207	219,140																																											
Engine oil (15W-40)	4,089	3,265																																											
Hydraulic oil 68	846	520																																											
Material	Total	Unit	EF	GHG V																																									
Electricity	N/A	KWH	0.89	N/A																																									
Diesel	219,140	Liter	3.14	688,099.6																																									
Petrol	NIL	Liter	3.17	N/A																																									
Lubricant	3,892	Liter	0.95	3,697.4																																									
Total	223,032			691,797.0																																									
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Among the list of locations or work stations that LJTSB Oil Palm Plantation has identified with significant pollutants are:</p> <ul style="list-style-type: none"> • Workers quarters (open burning, waste disposal, food waste, oil spillage) • Storage areas (used & empty containers, diesel tank, used tyres) • Plantation blocks (spraying & manuring activities, estate drains, dust from roads in use) • Generator house (emission of smoke, noise) 																																										



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

			& spillage)
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:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted: Water Management Plan doc. No. LJTSB/MSPO/P5/21; Eff. Date. 11/06/2021, Rev. No. 01.
A	Assessment of water usage and sources of supply.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The plantation sources of water are: <ul style="list-style-type: none"> • Rain water harvesting • Gravity fed from a catchment area • Water pumped from the river during drought OFI: The Water management plan may be further enhanced with an elaboration on estimated water usage for the category of activities.
B	Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Water sampling is conducted quarterly by a consultant. The latest report by Ecosol Consultancy for the 2 nd Q2021 (April to June) as per NREB Ref. No. NREB/6-1/21/13 indicated that the water qualities of the waterways in and around the plantation were found to be good, with all of the parameters monitored to be within Class I to IIB standards of the NWQSM, without detecting any major pollution effects from the plantation.
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.).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	At present, pipes for water supply for domestic use are regularly checked for leakage while tanks are inspected for accumulation of debris. In the plantation blocks, side drains divert water flow from the road into terraces for land application to keep palms hydrated.
D	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along natural waterways within the estate.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Riparian buffers are maintained as the plantation is dissected with small stream. The water catchment area is in a forested area exclusive from the planted areas.
E	Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Riparian buffers are maintained. As noted in the LJTSB Register or List of Environmental Aspects of palms, there shall be no maintenance activities in the buffer zones.
F	Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable as this is not in use
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable as the plantation is established on hilly terrain

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).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Rain water harvesting is very much in practice in the housing areas, office, stores and workshop. Road side drains divert road run-off into terraces for land application to keep palms hydrated.
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value area			
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>LJTSB has identified 5 areas for exclusion due to conservation needs (High Conservation Control). These are:</p> <ul style="list-style-type: none"> • 2 areas In Phase 1 (OP 1) – Block 26 and Block 27, planted with Macona. • 3 areas in Phase 2 (OP 2) – Block 19 (planted with Macona), Site Office (planted with Macona) and Block 23 (reserved forest for water catchment)
B	Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Workers in the plantation have reported of seeing various animals (on the forest fringes) which had made the site their foraging ground as well as home. Among the animals that have been sighted are:</p> <ul style="list-style-type: none"> • Tarsius (<i>kera hantu</i>), Argus pheasant (<i>ruai</i>) hornbill (<i>enggang</i>), clouded leopard (<i>engkuli</i>) classified as protected in the Sarawak Wild life Protection Ordinance • Porcupine (<i>landak</i>), Raja Brooke's birdwing (<i>kesulai</i>), sun bear (<i>jugam</i>) classified as protected in the Sarawak Wild life Protection Ordinance • Wild boar (<i>babi</i>), barking deer (<i>kijang</i>) not listed as endangered.
4.5.6.2.	If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	No hunting signs are posted in and around the camp area as well as along access roads within the plantation.
A	Ensuring that any legal requirements relating to the protection of the species are met.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Posters from the Sarawak Forestry Corporation on Protected Plants, Protected Wildlife and Totally Protected Wildlife of Sarawak are widely displayed at the office, the canteen and at other strategic locations throughout the camp complex.
B	Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>No hunting signs are posted in and around the camp area as well as along access roads within the plantation.</p> <p>Entry into the plantation and camp complex is restricted to authorized personnel only.</p>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.	<input type="checkbox"/> Yes <input type="checkbox"/> OFI <input checked="" type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	NC: Although plantation personnel have sighted wildlife in the vicinity or inside the estate, LJTSB has not implemented a standard document to record the sightings.
Criterion 4.5.7: Zero burning practices			
4.5.7.1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	This plantation advocates a zero burning policy as seen in its LTJSBOP/MSPO/EM/P5.7/2020/01 Zero Burning Policy signed by the MD Mr Roger Tiang Chiin Yew on 28/12/2019.
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable as the plantation does not subscribe to any burning practices.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable

PRINCIPLE 6 BEST PRACTICES

Criterion 4.6.1: Site management			
Indicator	Requirement	Compliance	Findings
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted Policy No. : LJTSBOP/MSPO/EM/P6.1/2020/01, signed by MD, Mr. Roger Tiang Chiin Yew, dated 28th December 2019.</p> <p>A. The Good Agriculture Practice for site management are detailed out in the Good Agriculture Practice SOP File, Document No.: MSPO/LJTSBOP/SOP/SDS/P6/20.</p> <ol style="list-style-type: none"> 1) Oil Palm Nursery Establishment and Operation 2) Field Establishment & Immature Maintenance 3) Harvesting, Delivery and Mature Upkeep <p>B. The SOPs for site management are detailed out in "Peraturan Keselamatan dan Kesehatan Pekerja", Ref. No.OSH/SOP/1, effective date 28th December 20219, for the following operations:</p> <ol style="list-style-type: none"> 1. General Safety for Oil Palm Estate



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

			<p>Workers.</p> <ol style="list-style-type: none"> 2. PPE 3. Clearing 4. Oil palm manuring 5. Weeding management 6. Oil Palm Pruning 7. Harvesting oil palm 8. Loading FFB 9. Field Transportation 10. Workers' Safety while using Estate Trailer 11. Workshop Safety 12. Noise Control 13. Ramp Maintenance 14. Integrated pest management - Beneficial plants
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p><i>Mucuna bractata</i> is being planted on hill slope to prevent soil erosion, as well as terraces for planting on slopes with the use of contour lining spaced at approximately 27 feet to 30 feet apart (horizontal distance).</p>
4.6.1.3	A visual identification or reference system shall be established for each field.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Each field in a block is marked on a plate at road junctions with a number indicating the Block and Phase it is in and its size, Year of Planting, Plant Material and Stand per Hectare for the Block.</p>
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Limba Jaya Estate's Progress of Work Report for the Year 2019 and 2020 and Status and Progress Report July 2021 which provide a comprehensive overview on a cumulative basis of the actual plantation progress against the plan. Actual crop production is compared against forecast (estimate) according to planting age (block) and the yield (MT/ha) is generated for a 12-month period.</p> <p>Noted that for the whole plantation the yield (based on 12-month FFB production) as of Dec. 2020 is 5.27 MT/ha as compared to the estimate at 8.9 MT/ha.</p> <p>The plan also presents an in-depth overview of projected operational expenses for all aspects of the plantation such as:</p> <ul style="list-style-type: none"> • Harvesting • Manuring • Pruning • Vehicle utilization • Labour as per check roll



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

			Based on the spreadsheet (Production Against Budget 2021) presented for the plantation as a whole, the actual production shows an ascending profile towards the end of the year.
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	A long term replanting programme is available and to be reviewed as and when needed.
4.6.2.3	The business or management plan may contain:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted: the LJTSB Crops Budget Y2020 and Y2021 (Upkeep and Maintenance Programme Y2020 and Y2021)
A	Attention to quality of planting materials and FFB.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	D X P (Felda, IOI, Guthrie).
B	Crop projection: site yield potential, age profile, FFB yield trends.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	As reflected in the Analysis of Expenditure as at 31 st December 2021 - Estate Direct Cost, the Crop projection are as follows: <ul style="list-style-type: none"> • Site yield potential estimated at 4.42 MT/ha; • Projected Yield from 1,597.71 ha (2021) - 7,073 MT. • Age profile: planted between 2007-2014; (186,080 palms planted). • FFB yield: 0.315 MT/ha as of Dec.2021.
C	Cost of production: cost per ton of FFB.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Cost of production: Estimated for 2021 at RM2,227/ha or RM504/MT FFB.
D	Price forecast	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Price forecast: estimated at RM456.66 for 2020 and RM688.33 for 2021.
E	Financial indicators: cost benefit, discounted cash flow, return on investment.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Financial indicators: <ul style="list-style-type: none"> • Cost of production is inclusive of upkeep (reading spraying, pruning), fertilizer & its application, harvesting & collection, transportation and other cost; all amounting to RM2,227 /ha/yr. or RM504/MT FFB for 2021. • Total production is 7,073 MT harvested from 1,597.71 ha.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The estate operation heavily relies on the Crops Budget Y2021 (Upkeep and Maintenance Programme Y2021) which specifies a monthly target for each type of operations.</p> <p>The actual achieved targets are reported in the monthly Progress of Work Report for submission to main office which keeps tab on variance between target achieved and budget to permit mitigating action to be taken.</p> <p>Sighted: Estate Plan from the Estate management on the Y2021 target of MT production budget which must be achieved.</p>
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The rate for each type of jobs is specified in the Transparent and Fair Price Dealing SOP, Doc. No.: LJTSBOP/MSPO/PS6/20.
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	As per 4.6.3.1 above.
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted SOP for Contractor as per Document No.: LJTSBOP/MSPO/P6/20.
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable - No contractors involved.
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The LJTSB is currently entertaining the auditors from BQAS to undertake this Initial Audit.
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.	<input type="checkbox"/> Yes <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable - No contractors involved.

PRINCIPLE 7

DEVELOPMENT OF NEW PLANTING - NOT APPLICABLE



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

ANNEX 6 : AUDIT PROGRAM

1. INFORMATION		
	Date: 17-18 August 2021	Ref No: BQAS/MSPO-CERT/LJTSB/039
Co. Name/No.	Limba Jaya Timber Sdn Bhd - Oil Palm Plantation	
Address	Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak.	
Audit Sites	LPF/0038, PHASE 1 & 2, LUBOK LELANG, LIMBANG, SARAWAK	
Address	LPF/0038, Phase 1 & 2, Ulu Medamit, Sepapit Camp, 98700 Limbang, Sarawak	
Standard(s)	<input checked="" type="checkbox"/> MS 2530-3:2013	<input type="checkbox"/> MS 2530-4:2013
Type of Audit	<input checked="" type="checkbox"/> STAGE 2 AUDIT	
Audit team	Name:	Role
	DOMINIC RETAN GIAH (DRG)	Lead Auditor
	Douglas Alau Tayan (DAT)	Auditor
		Auditor
Audit Scope	<input checked="" type="checkbox"/> Part 3: Oil Palm Plantation	<input type="checkbox"/> Part 4: Mill
Audit language	English, Bahasa Malaysia	
Audit dates	From : 17/08/2021	To : 18/08/2021
Audit criteria	Principle 1 to Principle 6	

2. AUDIT AGENDA 1		
Type of Assessment: Documentation Review		Venue: Office
No.	Agenda:	Reference:
1	Opening Meeting	
2	Organizational Information	
3	Management Commitment & Responsibility, MSPO Policy, Internal Audit, Management Review, Continuous Improvement	MS 2530-3:2013: Principle 1: C1- c4
4	Transparency of information & documents relevant to MSPO requirements Internal communication & stakeholder consultation, Traceability (Procedure, sample of Inspection record)	MS 2530-3: 2013: Principle 2: C1 – C3
5	Regulatory Requirement, Legal Register List, Compliance status Land Used Right, Customary Right (if applicable)	MS 2530-3:2013: Principle 3: C1 – C3
6	Social responsibility, health, safety and employment conditions, Social impact assessment, Complaint Management, Complaint Record, Action Plan, Commitment to contribute to local sustainable development, Safety and health, Employment, Training & competency (employees, contractors & relevant smallholders), Subcontractor, employment conditions	MS 2530-3:2013 Principle 4: C1 – C6
7	Environment, natural resources, Biodiversity and ecosystem services, EMP Efficient energy use & use of renewable fuel, Waste management	MS 2530-3:2013: Principle 5: C1- C7



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

	& disposal, Reduction of pollution & emission, Natural water resources, Status of RTE species & high biodiversity value, Zero burning practices	
8	Best Practices, Site management, Economic & Financial Viability Plan Transparency & fair price dealing, Contractor	MS 2530-3:2013 Principle 6: C1 – C4
9	Closing Meeting	
10	Presentation of Checklist, Findings, Corrective Action Report	

3. AUDIT AGENDA 2

Type of Assessment: Site/Field Audit		Venue: Field/Site
No.	Agenda:	Reference:
1	Activities: <ul style="list-style-type: none"> • Harvesting • Buffer Zone. Riparian Zone • Staffs/Workers quarters & living conditions (Cross-check field input against documentation)	MS 2530-3:2013 Principle 4: C4 & 5 Principle 5: C1,2,3,5,6
2	Site Visit – store <ul style="list-style-type: none"> • Fertilizer store, Chemical store, Scheduled waste store (Cross-check field input against documentation)	MS 2530-3:2013 Principle 4: C4 Principle 5: C4
3	Information from stakeholders (interview sessions)	MS 2530-3:2013 Principle 2: <u>C2</u>

4. DOCUMENTATIONS:

1	Organization Chart	15	List of Stakeholders
2	HIRARC	16	Management System Manual
3	Land Ownership/Agreements	17	Training Programs
4	Legal Register	18	Customary Rights documents
5	Environmental Management Plan	19	Internal Audit
6	Boundary Mapping	20	Waste Management Plan
7	Management Review	21	Business/Management Plan
8	Product & Services Pricing Mechanism	22	Policies
9	SOP (Standard Operating Procedures)	23	Water Management Plan
10	Non-renewable energy estimation	24	Contractor Agreement
11	Soil & Topographic information / Maps	25	Social/Environmental Impact Assessment
12	Legal Assessment of Customary Land	26	Compensation claim of customary land
13	Job Description	27	Workers Pay-slip
14	Training Plan	28	Use of new technology / techniques (if any)

Note:

(To be prepared by Auditee and be made available during Audit – soft & hard copies)



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

STAGE 2 AUDIT SCHEDULE

Day 1: 17th August 2021 (Tuesday) – Plantation Office / Sites within the Plantation

STAGE 2 – DAY 1			AUDIT AGENDA/PROGRAM
DATE	TIME	VENUE	AGENDA
17/08/2021	0830	Estate office	Opening Meeting
	0900	Site visit	Field / Site Audit <ul style="list-style-type: none"> • Office (if any) • Boundary Markers/ Riparian Zone / Buffer Zone • Block identification • Water & Waste management • Biodiversity / Protection of Endangered Species • FFB: Harvesting / delivery / Traceability • Staff & Workers Quarters / health & safety • Stores: Chemical / Fertilizer / Workshop • Review of areas of concern raised in Initial Certification Audit
	1230		Lunch break
	1330	Estate office	Documentation Audit: Principle 1 (DRG) <ul style="list-style-type: none"> • MSPO Policy • Internal audit • Management review • Continual improvement Principle 2 (DRG) <ul style="list-style-type: none"> • Transparency • Communication & consultation • Traceability
	1330		Principle 4 (DAT) <ul style="list-style-type: none"> • Social impact assessment • Complaints & grievances • Commitment to contribute to local sustainable development • Employees safety & health
	1500		Principle 3 (DRG) <ul style="list-style-type: none"> • Regulatory requirements • Land use rights • Customary rights
	1500		Principle 4 (DAT) <ul style="list-style-type: none"> • Employment conditions • Training and competency

	1700		End of Audit Day 1
STAGE 2 – DAY 2 (Wednesday)			AUDIT AGENDA/PROGRAM
DATE	TIME	VENUE	AGENDA
18/08/2021	0800	Estate office	Stakeholders Consultation (Principle 2) (DRG)
	1000		Documentation Audit: Principle 5 (DRG)



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

			<ul style="list-style-type: none"> • Environmental management plan • Efficiency of energy use • Waste management and disposal • Reduction of pollution and emission
	1200		Principle 6 (DAT) <ul style="list-style-type: none"> • Site management • Economic and financial viability plan • Transparent and fair price dealing • Contractor
	1230		Lunch break
	1330		Principle 6 – continued (DAT) <ul style="list-style-type: none"> • Natural water resources • Status of rare, threatened or endangered species and high biodiversity value areas • Zero burning practices
	1530		Principle 7 0 - if applicable (DRG) <ul style="list-style-type: none"> • High biodiversity value • Peat land • Social and environmental impact assessment • Soil & topographic information • Planting on steep terrain, marginal and fragile soils • Customary land
	1545	Estate office	Review of findings and compilation (auditors only)
	1615		Preparation of presentation for STAGE 2 Audit findings
	1700		Closing Meeting
	1730		End of Audit Day 2

Notes:

1. Client to provide local Transport to Audit Team
2. Client to make appointment with Stakeholders to be interviewed during Audit time.
3. Client to make appointment with at least 3 Stakeholders to be interviewed during Audit time.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

ANNEX 7 STAGE 1 ASSESSMENT

6.1.0	Ref No: LJTSB/AU/ST1/01/20	MSPO STAGE 1 AUDIT REPORT
Standard(s)	MS 2530-1 MS 2530-2 MS 2530-3 MS 2530-4	
Other Standard(s)	NIL	

INFORMATION:	CERTIFICATION BODY	
Stage 1 Audit Date:	30 & 31 05 2021	
Stage 2 Audit Date:	17 & 18 08 2021	
BQAS Audit Team:	Name	Role in Audit
	Dominic Retan Giah	Lead Auditor
	Douglas Alau Tayan	Auditor

6.1.1 AUDITOR CHECKLIST & INFORMATION

1.	INFORMATION ABOUT THIS ORGANISATION			
Company Name:	Limba Jaya Sdn Bhd		Registration No: 647799-A	
Address:	Suite 8, 7th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak			
Site Name:	Limba Jaya Plantation			
Primary Function:	<input checked="" type="checkbox"/> Plantation/Organized Smallholders <input type="checkbox"/> Mill			
Site Address:	Limba Jaya Timber Sdn Bhd Oil Palm, Ulu Medamit, Medamit, Limbang, Sarawak			
Management Contact details:				
Name	Job Title	Mobile	Telephone	Email
Darren Lau	Coordinator	016-898 8896		darren8381@gmail.com
Headcount:	Local: 39	General Workers: 7 (foreign)		Total: 46
MPOB License No:	540013002000	Expiry Date: 31/05/2022		
Scope of Activity:	Sale and handling of FFB (<i>Menjual dan mengalih</i> FFB)			
Date of Establishment	2007	Geo-Coordinates		N 4° 21' 49.88" E 115° 00' 33.98"
Certified Area:	2,138 ha	Planted Area:		1,642 ha
FFB Production (actual) 2020:	8,488.18 MT	FFB Production (estimate) 2021		7,073 MT
Sources of FFB	Own estate	Main FFB purchaser		Biogrow City Plantations Sdn Bhd (Palm Oil Mill)



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

No of Planting Blocks	71 blocks in 2 phases	No of Palm trees	192,131 palms
Palm Species		Age Range of Palm Trees	14 years
Topography	Rolling terrain with some alluvial flats	Soil Type	Mineral
Land Status: Ownership	<input type="checkbox"/> Own Land	<input checked="" type="checkbox"/> Rented	<input type="checkbox"/> Joint Venture
Other Sustainability Certification:	NIL		

2.0	MANAGEMENT SYSTEM READINESS (GENERAL)
Was the review of the client's status and understanding regarding requirements of the standard/specification, in particular with respect to the identification of key performance or significant aspects, processes, objectives and operation of the management system was found to be adequate?	<input type="checkbox"/> Acceptable <input checked="" type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: There is a general understanding on and adherence to best practices in plantation management. But some procedures are being formulated or are not available at the time of this audit.
The Top-Level Management System Manual detailing justification for exclusions, inclusion of or reference to documented procedures for the management system, and providing a description of the interaction between processes?	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: The company's Corporate Responsibility Policy Statement encapsulates its corporate commitment to its mission and vision while aiming to be highly productive and sustainable.
List any manual discrepancies: 1. No response to BQAS required 2. Changes will be reviewed during Stage 2 audit	
The policy is defined and appropriate to the purpose of the organization?	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: The MSPO Policy is a general statement covering the Principles incorporating such aspects as environment, human rights, community development and traceability.
Transparency is identified to ensure management of stakeholders are meet with MSPO requirement.	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: Sighted various types of legal and regulatory documents, list of stakeholders, samples of contracts and payslips as evidence of transparency.
Transparency is identified in complying with traceability system.	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: Available in the SOP for FFB Identification & Traceability Doc. No.: MSPO/LJTSB/SOP/FFB/P2/20; Eff. Date 28/12/2019.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

<p>Process for identification of legal and other requirements.</p>	<p> <input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: Noted evidence of legal and regulatory compliance (such as MPOB licence, approval from NREB, lease from the Forest Dept. and business licence). The person-in-charge for the process is Mr Juleus Sambau anak Ipang (appointed 16/03/2020). <i>But LJSB has not provided an evaluation of legislation for compliance. The legal register is also non-existent.</i> </p>
<p>Process for internal and external communication.</p>	<p> <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: A procedure for internal and external communication available; Doc. No. MSPO/LJTSBOP/SOP/PEC/P2/20 for External Communication and Doc. No. LJTSB/MSPO/Rev. No.: 0;1 Date 07/05/2021 for Internal Communication. </p>
<p>The outputs from management reviews are consistent with the commitment to continual improvement.</p>	<p> <input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not applicable due to not required for group management of independant smallholder (refer to 2.1d for detail) <input type="checkbox"/> Special case with valid reason agreed by Lead Auditor Comments/Justification/Evidence: Records of a management review meeting are not sighted. The minutes of the MRM are needed to generate outputs for continual improvement. </p>
<p>Internal audits planned and performed? Records are available?</p>	<p> <input type="checkbox"/> Acceptable <input checked="" type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not applicable due to not required for group management of independant smallholder (refer to 2.1d for detail) Comments/Justification/Evidence: <i>A gap analysis checklist was conducted on 05/02/2020 (26 findings) and with an earlier gap analysis prepared by a consultant (for MSPO certification consultancy) in 2019 (with a total of 33 findings). There was no indication that the findings had been attended to and resolved.</i> </p>
<p>Is a translator required?</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

2.1 SUPPLEMENT FOR MS 2530-2, MS 2530-3 & MS 2530-4

Review the information listed below to determine readiness of the organization for the stage 2 audit.

2.1 A	POLICIES
MSPO Policy	<input checked="" type="checkbox"/> Acceptable: <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: Document available & sighted as follows: A. Ref. no. LJTSB/MSPO/EM/P1.1.1/2020/01 B. Signed by Mr Roger Tiang Chin Yew, Managing Director on 28/12/2019
Safety and Health Policy	<input checked="" type="checkbox"/> Acceptable: <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Document available & sighted as follows: A. Ref. no. LJTSB/MSPO/EM/P4.4.1/2020/01 B. Signed by Mr Roger Tiang Chin Yew, Managing Director on 28/12/2019
Sexual Harrassment Policy	<input checked="" type="checkbox"/> Acceptable: <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Document available & sighted as follows: A. Ref. no. LJTSB/MSPO/EM/P4.5.1.2/2020/01 B. Signed by Mr Roger Tiang Chin Yew, Managing Director on 28/12/2019
Good Social Practice Policy	<input checked="" type="checkbox"/> Acceptable: <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Document available & sighted as follows: A. Ref. no. LJTSB/MSPO/EM/P4.5.1/2020/01 B. Signed by Mr Roger Tiang Chin Yew, Managing Director on 28/12/2019



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Environmental Policy	<input checked="" type="checkbox"/> Acceptable: <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Included as a concern to be addressed in the overall Corporate Responsibility Policy Statement sighted and accepted with the following findings: A. Ref. no. LJTSB/MSPO/EM/P4.3.1/2020/01 B. Signed by Mr Roger Tiang Chin Yew, Managing Director on 28/12/2019
----------------------	--

2.1 B	PROCEDURES	
Training Procedure	<input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Records of in-house training conducted are available. <i>No procedure is sighted (conduct of training needs analysis, training Matrix & evaluation of training for effectiveness).</i>	
Internal Audit Procedure	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: The Internal Procedure is available, Doc. No.: MSPO/LJTSBOP/SOP/IA/P1/20; Eff. Date: 28/12/2019.	
Complaint and grievance Procedure	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: The Complaint and Grievance Procedure is available Doc. No. MSO/LJTSB/CHBP01/20, Eff. Date: 28/12/019. Suggestion box and form sighted.	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Communication Procedure	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: The Communication Procedure is prepared for External Procedure (Doc. Ref. No.: MSPO/LJSBOP/SOP/PEC/P2/20; Eff. Date 28/12/2020) and Internal Procedure (Doc. Ref. No.: LJOPSB/MSPO Rev. No. 1; Date: 07/05/2021). The PIC is Mr Ariffin Sampurai.
Emergency and Incident procedure	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Sighted Emergency Preparedness and Response Procedure Doc. No. MSPO/LJTSB/SOP/EPRP/P4/20; Eff. Date: 28/12/2019
Traceability SOP	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Sighted: FFB Identification and Traceability doc. No. MSPO/LJTSB/SOP/FFB/P2/20; Eff. Date: 28/12/2019. Person-in-charge appointed is Mr Ariffin Sampurai.
Site Management SOP	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) <input type="checkbox"/> Not Applicable for MS 2530-4 (palm oil mill) <i>Note: in case of single site certification</i> Comments/Justification/Evidence: Sighted: Best Practices; Doc. No. LJTSB/MSPO/PS6/20; Eff. Date 28/12/2019, covering: <ol style="list-style-type: none"> 1) Block design 2) Block size 3) Carrying distance 4) Block boundary Also available: SOP on Manuring Doc. No. MSPO/LJTSB/SOP/P6/20; Eff. Date 28/12/2019.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Mill Management SOP	<input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder) <input checked="" type="checkbox"/> Not Applicable for MS 2530-3 (plantation) <i>Note: in case of single site certification</i> Comments/Justification/Evidence:
Chemical Handling SOP	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder) Comments/Justification/Evidence: SOP sighted: Waste Handling & Disposal; Doc. No. MSPO/LJTSB/SOP/WHD/P5/20; Eff. Date: 28/12/2019
Scheduled Waste Handling SOP	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder) Comments/Justification/Evidence: Included in the SOP for Waste Handling & Disposal Doc. No.: MSPO/LBSBOP/SOP/WHD/P5/20; Eff. Date: 28/12/2019.

2.1 C	DOCUMENTS	
List of Stakeholder	<input type="checkbox"/> Acceptable <input checked="" type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder) Comments/Justification/Evidence: Document sighted and verified. List of 58 stakeholders comprising suppliers, contractors and government agencies. <i>However, the following findings are noted:</i> A. No reference no. B. Date of last review not stated	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Land ownership	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: Limba Jaya Timber Sdn Bhd has a 60-year Lease for Planted Forest from 06/12/2004n to 05/12/2064 ref. no. LPF/0038.with a Certification of Registration R.0003/2005 renewable every year. The next expiry date is 05/01/2022.
Customary Right document	<input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Not applicable to the occupied land <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: The plantation is established on State Land under conditions of Lease for Planted Forests.
Boundary mapping of the land	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed Comments/Justification/Evidence: Boundary map Limba Jaya oil palm plantation is available on a scale of 1:50,000.
HIRARC	<input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder) Comments/Justification/Evidence: HIRARC established for various plantation activities. Sighted HIRARC for Heavy Work at Workshop, assessed on 01/03/2020 with the next review date on 01/08/2020.
Training Programme	<input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder) Comments/Justification/Evidence: Documents sighted are on training records and curses conducted so far. <i>The Training Programme (plan or schedule of the types of courses to be conducted) for the current year is not available.</i>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

<p>Environmental Policy and Management Plan</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder)</p> <p>Comments/Justification/Evidence: Sighted: Environment, Natural Resources, Biodiversity and Ecosystem Services, Doc. No. LJTSB/MSP[O/P5/20; Eff. Date 28/12/2019 which discusses the Env. Policy & EMP.</p>
<p>Non-renewable energy estimation</p>	<p><input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder)</p> <p>Comments/Justification/Evidence: <i>Details or records of the consumption of non-renewable energy (diesel usage) is not available.</i></p>
<p>Waste Identification</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed</p> <p>Comments/Justification/Evidence: In the SOP for Waste Handling and Disposal, the following types of waste are identified:</p> <p>A. Recyclable waste (carton, boxes, plastic/drums/cans/paper & plastic bags B. General waste from the office & canteen C. Scheduled waste (laboratory waste, maintenance waste.</p>
<p>Water Management Plan</p>	<p><input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder)</p> <p>Comments/Justification/Evidence: Based on observation from a photograph, noted that rainwater harvesting was practised in the plantation for domestic use. <i>No water management plan made available during time of audit.</i></p>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

<p>Business Management Plan</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed</p> <p>Comments/Justification/Evidence: Sighted Summary of Profit & Loss for 2020 indicating the following: Revenue from sales of FFB & LF: RM4,018,208.27 Total cost: M3,352,326.84 Profit: RM665,879.43</p>
<p>Product Pricing Mechanism</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder)</p> <p>Comments/Justification/Evidence: Pricing is as determined by the FFB buyer. Services rendered are paid as per contracts. Sighted: 1) Letter of offer from Biogrow Oil Mill to purchase FFB from LJTSB dated 01/09/2017 ref. no. OM/LJT/17/LO-01 which spells out the terms and conditions of purchase.</p>
<p>Contractor Agreement</p>	<p><input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder)</p> <p>Comments/Justification/Evidence: <i>No contractor agreement sighted during time of audit.</i></p>
<p>Soil and Topographic Information</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independant Smallholder)</p> <p>Comments/Justification/Evidence: Contained in the EIA Report for LJSB Plantation LPF/0038 (Oil Palm Component) by Ecosol Consultancy Sdn Bhd.</p>



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

<p>Social and environmental impact assessment</p> <ul style="list-style-type: none"> - <input type="checkbox"/> Environmental Impact Assessment - <input type="checkbox"/> Social Impact Assessment – - <input type="checkbox"/> HCV Assessment 	<p><input type="checkbox"/> Acceptable: <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder)</p> <p>Comments/Justification/Evidence: <i>Sighted: general statement describing the Environmental Impacts and Aspects, none on Social Impacts and Aspects. A specific document is required relevant to the operations of Limba Jaya Timber Sdn Bhd (Oil Palm Plantation).</i></p> <p><i>No SEIA available during time of audit.</i></p>
<p>Legal Assessment of Customary land</p>	<p><input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder)</p> <p>Comments/Justification/Evidence: The land on which the LJSB Plantation is established is State Land designated for forest plantation. A portion amounting to 2.138 hectares or 20% of the lease is set aside for LJSB to plant up with oil palm 25 years.</p>
<p>Compensation claim of customary land</p>	<p><input type="checkbox"/> Acceptable <input type="checkbox"/> Acceptable with findings noted <input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Unacceptable – recommend audit (Stage 2) to be delayed <input type="checkbox"/> Not Applicable for MS 2530-2 (Independent Smallholder)</p> <p>Comments/Justification/Evidence: The estate is established on 20% of State Land designated for planted forests.</p>
<p>Job Description (Except for independent smallholder)</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable</p> <p>Comments/Justification/Evidence: Sighted: employment contract of Ms Ester Loyola anak Anyai accepted and endorsed on 29/01/2015 stating her duties and responsibilities as a clerk.</p>
<p>Payslip (Except for independent smallholder)</p>	<p><input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable</p> <p>Comments/Justification/Evidence: Sighted April 2021 payslips for:</p> <ol style="list-style-type: none"> 1) Augustine Alias (L248) at a gross of RM1,757.70. 2) Junnis anak Egang (LB251) at RM1,398.95.



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

Sales and Delivery record of FFB (for independant smallholder only)	<input type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable Comments/Justification/Evidence:
Other records: receipts and photographs as proof of engagement with the surrounding community for sustainable local development.	

2.1 D	In case of Group Management is applied (According to MSPO Certification System)
Appointment of Group Manager	<input type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable Comments/Justification/Evidence:
Technical knowledge of Group Manager	<input type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable Comments/Justification/Evidence:
Features of group certification <ul style="list-style-type: none"> - Group Manager - Members - Internal Control System (ICS) - Binding contract - Internal procedures for handling grievances and complaints 	<input type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable Comments/Justification/Evidence:
Adequacy of Internal Control System (ICS)	<input type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable Comments/Justification/Evidence:
Conducting assessment to group member	<input type="checkbox"/> Acceptable <input type="checkbox"/> Not Acceptable Comments/Justification/Evidence:

4.0	AUDITOR DECLARATION
<p>The stage 1 audit was based on collecting the necessary information regarding</p> <ul style="list-style-type: none"> • the scope of the management system, processes and location(s) • reviewing the organization's status and understanding regarding the requirements of the standard • the identification of objectives, processes and operations of the management <p>The above stated recommendation regarding the organization's readiness for registration or upgrade is limited to this information collected and was not based on a full audit of the management system. The information in this report should assist the organization in determining any action(s) needed prior to the stage 2 audit and whether to proceed with the stage 2 audit as currently scheduled.</p>	

5.0	LEAD AUDITOR: CONCLUSION STATEMENT
<p>The Audit Team had done vigorous assessment of LJTSB both at site and in-situ and documentation preparation. At both site level & office documentation it was assessed that client had made adequate preparation and in general readiness for Stage 2 Audit. It is recommended that Stage 2 Audit be conducted upon satisfactory and complete</p>	



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: BQAS/MSPO-CERT/LJTSB/039

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

closure of Stage 1 CAR.

Date: 04/06/2021	Name: Dominic R. Giah	Signature: 
---------------------	--------------------------	---

6.0 AUDITEE ACKNOWLEDGEMENT

This acknowledges the BQAS audit team's visits to this location and the organizations receipt of the report. Distribution of this report consists of the organization named above and parties names per contractual agreement. Additional distribution must be authorized by the organization.

Date: 04/06/2021	Name: Darren Lau	Job Title: MSPO Coordinator	Signature: 
---------------------	---------------------	-----------------------------------	---



MSPO INITIAL CERTIFICATION REPORT 2021

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Client : Limba Jaya Timber Sdn Bhd (647799-A)
Ref No: *BQAS/MSPO-CERT/LJTSB/039*

Standard: MS 2530-3:2013

Stage 1 - Remote Audit & Stage 2 - On Site Audit

Report Date: 12 10 2021

ANNEX 8 : LIST OF ABBREVIATIONS

CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
CU	BQAS
BQAS	BQAS Certifications
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
ERT	Endangered Rare or Threatened species
EU	European Union
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
FSC COC	Forest Stewardship Council Chain of Custody
FSC FM	Forest Stewardship Council Forest Management
GGL	Green Gold Label
GMP	Good Manufacturing Practice
GOTS	Global Organic Textile Standard
GTP	Good Trading Practice
GPS	Global Positioning System
HACCP	Hazard Analysis and Critical Control Point
HCV	High Conservation Value
HCVF	High Conservation Value Forest
IPM	Integrated Pest Management
JAS	Japanese Agricultural Standard
MDC	MDC Publishers Sdn Bhd (Company Name)
MPOB	Malaysian Palm Oil Berhad
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
NC	Non Conformity
OE	Organic Exchange
OSH	Occupational Safety and Health
OSHAS	Occupational Safety and Health Assessment Scheme
P&C	Principle and Criteria
PEFC	PROGRAMME FOR THE ENDORSEMENT OF FOREST CERTIFICATION
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
SA8000	Social Accountability 8000
Sdn Bhd	Sendirian Berhad
SIA	Social Impact Assessment
SOCISO	Social Security Organisation
SOP	Standard Operating Procedure
USDA/NOP	United States Department of Agriculture – National Organic Program
MT	Metric Tonnes
WHO	World Health Organization