



MSPO SURVEILLANCE CERTIFICATION REPORT 04 [Year 05] 2023

BQAS CERTIFICATION [M] SDN BHD [1179994-X]
MSPO Certification Services
ACB MSPO 15

Lubok Palaie Plantation Sdn Bhd(1012799-A)
Ref No: BQ/LPPSB/SVA04/04/23

Standard: MS 2530-3:2013

On Site Audit

Report Date: 21/04/2023

MSPO SURVEILLANCE CERTIFICATION REPORT 04[YEAR 05] 2023

LUBOK PALAIE PLANTATION SDN BHD (1012799-A)

No. 171C, Ground Floor, Kampung Nyabor, 96000 Sibul, Sarawak



BQAS Certification [M] Sdn Bhd

Lat 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 15



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CERTIFIED ENTITY	LUBOK PALAIE PLANTATION SDN BHD
MSPO Standards	<input checked="" type="checkbox"/> MS2530-3:2013 General Principles for Plantations & Organized Smallholders
Type of Certification:	Individual Certification
Project Ref No:	BQ/LPPSB/SVA04/04/23
MSPO Certificate No:	BQAS 002
MSPO Certificate Validity:	01 06 2019 to 31 05 2024
HQ Office Address:	No 171C, Ground Floor, Kampung Nyabor, 96000, Sibuloh, Sarawak
Contact Person / Job Title:	Mr Simon Sia Yuk Siong / Management Representative 019-8382408 / 084 325 478
Email / Website:	simonsiayuksiong@gmail.com
Contact Person / Job Title:	Mr Darren Ting Lik Cherng/Estate Manager
Telephone / Mobile:	016-8991552/016-8991552
Email / Website:	daren1552@gmail.com

CERTIFICATION BODY	BQAS CERTIFICATION [M] SDN BHD [1179994-X]
Office Address:	Lot 7823, Sublot 6, 2 nd Floor, Block A, King Center, Simpang Tiga, 93350 Kuching, Sarawak.
Contact Person / Job Title:	Douglas Alau Tayan/Audit & Certification Director
Telephone / Mobile:	+6 019 8599891
Lead Auditor:	Dominic Retan Giah
Technical Reviewer	Patrick Sibat Sujang

Disclaimer:

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EXECUTIVE SUMMARY

Lubok Palaie Plantation Sdn Bhd (**LPPSB**) was initially audited on the 5th - 6th December 2018 and certified on the 1st of June 2018, under the Standard MSPO2530-3:2013 General Principles for Plantations & Organized Smallholders.

LPPSB is located at **Lot 3541, Jalan Pasai Siong, 96000, Sibul, Sarawak**. The Plantation Site is situated at **Geo-coordinates 002.43035° N, 111.94510° E**; 3 parcels of land; **421.27 hectares** of total certified area and 457.29 Hectares planted area; on NCR land owned by local communities; operated and managed by **LPPSB** vide a Rental Agreement.

This is a **Surveillance Audit 04 [Year 5]** to assess performance & maintenance of the management system & continued Group Certification of LPLSB under the Standard MSPO2530-3:2013 General Principles for Plantations & Organized Smallholders.

For this Surveillance Audit 03 [Year 04], the following plantations are audited:

No.	Name of Plantation	Certified Area	Planted Area	Geo-Coordinates
1	LUBOK PALAIE PLANTATION SDN BHD	421.27 ha	457.29 ha	002.43035° N, 111.94510° E

The assessment method 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.

Estates employees are remunerated in compliance with Employment Act & minimum wage regulations; and living & housing conditions in the Estates' Staff & Workers Quarters meet minimum requirements of health & safety regulations & the relevant Housing Act.

Available amenities in Lubok Palaie Plantation include treated water, domestic waste collection & disposal, electricity and telecommunication services.



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The following are pertinent information on Lubok Palaie Plantation Sdn Bhd:

No of Employees	●	45 Employees
MPOB License No. /Date of Expiry	●	
In the Name of:	●	
Sima Anak Tukie on 133.48 Ha	●	617490002000/ 31/07/2023
Makus Anak Tukie on 128.49 Ha	●	617496002000/ 31/07/2023
Duchan Anak Makus on 159.30 Ha	●	618547002000/ 31/07/2023
Date of Establishment	●	07/08/2012
FFB Production (Actual) 2022	●	11,378.75 MT
FFB Production (Estimate) 2022	●	11,840.13 MT
Main Purchaser	●	(1) Pasai Siong Sawit Sdn Bhd (2) Bintulu Lumber Development Sdn Bhd, Sibul

The Surveillance Audit was conducted from 19th to 21st February 2023 and 2 Auditors were assigned to do the Assessment; clocking a total of 4 Man-days to complete the Audit.

There were Three (3) findings during this Audit, which One (1) was NC (Minor) and Two (2) were OFIs [opportunity for improvements].

Corrective Action Reports were raised on 21st April, 2023 and these findings were closed out on 26th May 2023.

Conclusively, the Lead Auditor therefore recommended that Lubok Palaie Plantation Sdn Bhd's Certification management system be maintained and continued to be certified under MSPO Standards MS2530-3:2013 (Part 3 – General Principles for Oil Palm Plantations & Organized Smallholders).

1.0 INFORMATION: CERTIFICATION ASSESSMENT

1.1	Type of Certification Assessment	<input type="checkbox"/>	Initial Certification / Main Audit	
		<input checked="" type="checkbox"/>	Annual Surveillance Audit 04 [Year 5]	
		<input type="checkbox"/>	Re-certification Audit	
1.2	Scope of MSPO Certification	<input checked="" type="checkbox"/>	Production of Sustainable Fresh fruit Bunch from:	
			TOTAL CERTIFIED AREA	TOTAL PLANTED AREA
	LUBOK PALAIE PLANTATION S/B		421.27 ha	457.29 ha
1.3	MSPO Standards	<input checked="" type="checkbox"/>	PART 3: MS2530-3:2013	



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2.0 INFORMATION : CERTIFIED ENTITY

INFORMATION	ENTITY
Company Name & Registration No:	LUBOK PALAIE PLANTATION SDN BHD
Head Office Address	No 171C, Ground Floor, Kampung Nyabor, 96000, Sibuluhayan, Sarawak.
Site Name	Lubok Palaie Plantation Sdn Bhd
Primary Function:	<input checked="" type="checkbox"/> Plantation/Organized Smallholders
Site Address	Lot 3541, Jalan Pasai Siong, 96000, Sibuluhayan, Sarawak
Management Contact Details	
1 Name : Simon Sia Yuk Siong	Job Title: Management Representative
Mobile: 019-8382408 Tel: 084 325 478	Email: simonsiayuksiong@gmail.com
2 Name : Darren Ting Lik cheng	Job Title: Estate Manager
Mobile: 016-8991552 Tel: 084 325 478	Email: daren1552@gmail.com
Headcount : Local Workers : 8	Foreign Workers : 37 Total : 45
MS 2530-3:2013 General Principles for Plantations & Organized Smallholders	
MPOB License No: 617490002000 (in the name of Sima Anak Tukie at 133.48 ha)	Expiry Date: 31 07 2023
MPOB License No: 617496002000 (in the name of Makus Anak Tukie on 128.49 ha)	Expiry Date: 31 07 2023
MPOB License No: 618547002000 (in the name of Duchan Anak Makus on 159.3 ha)	Expiry Date: 31 07 2023
Date of Establishment: 07/08/2012	Geo-Coordinates: N 002.43035° E 111.94510°
Certified Area: 421.27 Ha	Planted Area: 457.29 Ha
FFB Production (actual) 2022: 11,378.75 MT	FFB Production (estimate) 2022: 11,840.13 MT
Sources of FFB: Own Estate	Main FFB purchaser: (1)Pasai Siong Sawit Sdn Bhd, (2) Bintulu Lumber Sdn Bhd, Sibuluhayan
No of Planting Blocks: 37 blocks	No of Palm trees: 56,159 palms
Palm Species: Golden Hope & AAR Hybrid (Applied Agricultural Resources – associate company of KLK & Boustead)	Age Range of Palm Trees: 2 & 8 - 12 years
Topography: Undulating	Soil Type: Mineral & some peat
Land Status: Ownership: NCR	<input checked="" type="checkbox"/> Rented <input type="checkbox"/> Own Land <input type="checkbox"/> Joint Venture
Validity/Date of Certification: 01 06 2019 to 31 05 2024	Other Sustainability Certification: NIL
Scope of Activity: FFB Production	



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3.0 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	<ul style="list-style-type: none"> • Interviews – staffs and workers • Observation of process & activities • Review of documentations & records • Site visits • Field inspections 	
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. 	
Surveillance Audit	Audit Findings Classification	
Term/Abbreviation	Category	Description
Yes	Compliance	●Fulfilled requirement of audited standard
OFI	Opportunity For Improvements	●Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization
No (Minor NC)	Minor Non-Conformity	● 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	● 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.



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4.0 ASSESSMENT PROCESS

The assessment process was preceded by/with **Risk Assessment of the certified entity** to determine that the Audited Entity qualify to be audited **on site**. BQAS had assessed that Surveillance Audit 04 of **LPPSB** is classified as **low to medium risk**.

4.1 AUDIT TEAM

NAME	ROLE
Dominic Retan Giah	Lead Auditor
Duke Ladin	Auditor

No	Audit Team Members	Role	Qualifications
1	Dominic Retan Giah	Lead Auditor	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 MSPO Lead Auditor (Pioneer Group), Course No. 1 Dated 26 to 30 th January 2015 EIA Consultant No. C038[NREB/I/2008], March 2014 Logged more than 150 Man-days as MSPO Lead Auditors
2	Duke Ladin	Auditor	B.Sc of Management (Major in Human Resource & Minor in Data Processing), Bemidji State University, Minnesota, USA, 1999 Bach of Management with Honours (OUM) 2017 MSPO Auditor Training Course (MPOCC endorsed) (SGS) 14/02/2019. Logged more than 70 Man-days as MSPO Auditor

4.2 AUDIT PLAN

4.2.1 AUDIT OBJECTIVES

The objectives of this audit are as follows:

- To assess changes to the certified client and its management system;
- Verification of continuous management system implementation;



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- c. To verify effectiveness and implementation of all correction and corrective actions for non-conformance(s) raised in the previous audit (if any);
- d. To identify and evaluate links between the normative requirements, policies, procedures, performance objectives and targets (consistent with the expectations in the applicable MSPO standard or relevant normative documents), any applicable legal requirements, responsibilities, competence of personnel, operations, procedures, performance data and internal audit findings and conclusions;
- e. Review of effectiveness of measures arising from the previous audit (if applicable);
- f. Confirmation of fulfillment of certification requirements;
- g. Inquiries on aspects of certification (complaints);
- h. To review of any client's statements with respect to its certified operations (promotional material, website, use of BQAS logos and marks, use of the certificate) and;
- i. To verify and ensure that if there is MSPO logo usage, then it shall be in accordance with MSPOLGP04 1 Oct 2019.

4.2.2 ASSESSMENT SITES/PROGRAMS/PARAMETERS

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

A. ASSESSMENT SITES

Assessment were performed at :

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

B. SURVEILLANCE AUDIT - Main Assessment Program

Date: 19 - 21 04 2023 No. of Auditors: 2 No. of Man-days: 2

Day 1	•	Opening meeting at LP Plantation estate office before commencing site visit
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19 04 2023	<ul style="list-style-type: none"> ● ● ● ● ● ● ● ● 	Site Audit 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
Day 2 20 04 2023	<ul style="list-style-type: none"> ● ● ● ● ● ● ● 	Management commitment & responsibility MSPO Policy Internal audit Management review Continual improvement Transparency Transparency Communication & consultation Traceability
Day 3 21 04 2023	<ul style="list-style-type: none"> ● ● ● ● 	Documentation Review [continuation] MSPO Principles 4, 6 and 7 documents Closing meeting • Participants: Audit Team & Auditee Management • Agenda: Wrap up & Discussion Presentation of Report / Checklists. Review, discuss & decide corrective & forward action to be taken by Auditee

C. 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
- Revisit 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



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- Infrastructure / roads & drainage / natural water management
- Continuous Improvement Plan & Implementation
- Implementation of Best Practices
- Implementation of Environmental Management

4.3 THE AUDIT PROCESS

The Audit Process for Surveillance Audit 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	<p>Opening Meeting Estate site Assessment & Field Audits</p> <ul style="list-style-type: none"> • 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
	↓	
4	Audit Day 2	Review of Surveillance Audit 03 Report Documentation Review <ul style="list-style-type: none"> • Management Systems, Policies, Procedures, MSPO Principles 1 to 7 documents etc.
5	Audit Day 3	Documentation Review [continuation] MSPO Principles 4, 6 and 7 documents Closing meeting <ul style="list-style-type: none"> • Participants: Audit Team & Auditee Management • Agenda: Wrap up & Discussion Presentation of Report / Checklists. Review, discuss & decide corrective & forward action to be taken by Auditee



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Audit Stage:	Lubok Palaie Plantation Sdn Bhd	Audit Duration
Stage 1 Audit Date:	05-06/12/2018	4 man-days
Stage 2 Audit Date:	12-13/02/2019	4 man-days
Surveillance Audit 01	02-03/09/2020	4 man-days
Surveillance Audit 02	06 - 07 06 2021	4 man-days
Surveillance Audit 03	05 - 06 05 2022	4 man-days
Surveillance Audit 04	19 - 21 04 2023	4 man-days

5.0 SURVEILLANCE AUDIT - MAIN ASSESSMENT

5.1 AUDIT REPORT - LUBOK PALAIE PLANTATION SDN BHD

Ref No: LPPSB/AU/SVA03/05/22

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

Other Standard and/or Edition : Nil

Note: For Group Certification please fill up separate information data sheet for each entity.

<input checked="" type="checkbox"/>	INDIVIDUAL CERTIFICATION
-------------------------------------	---------------------------------

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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Established on 29 th Jan. 2018 and approved by the Managing Director Mr Tang Lee Nang.
4.1.1.2	A policy for the implementation of MSPO shall be established.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>As per the LPPSB/MSPOPOLICY-01 dated 29.01.2018, LPPSB is committed and set target to achieve excellence performance of the MSPO requirement as this is essential to our business success. LPPSB is committed to:</p> <ul style="list-style-type: none"> Meeting expectation to regulatory and other best practice environmental requirement, to strive for continual improvement to our Environmental Management System, the prevention of pollution and to minimize the creation of waste. <p>Improving and uphold women's rights, working conditions, housing and amenities, wages, safety and prevent gender-based discrimination, sexual harassment and domestic violence."</p>



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Criterion 4.1.2: Internal audit			
Indicator	Requirement	Compliance	
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Conducted once a year. Last conducted on 14/02/2023 - 15/02/2023 by an internal audit team comprising Simon Sia & Charles Lee. The audit report raised 1 OFI with respect to documentation of training records. The OFI finding was closed by 13/02/2023. Refer Internal Audit report: LPPSB Internal Audit Report (14/02/2023 - 15/02/2023) dated 18/02/2023.
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	MSPO audit procedures developed including audit result and reporting. Ref: LPPSB /MSPO/SOP/039 dated 15/07/2020. The audit report raised 1 OFI with respect to documentation of training records. The OFI finding was closed by 13/02/2023.
4.1.2.3	Report shall be made available to the management for their review.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The internal audit indicated 1 OFI and recommended that LPPSB was ready for the forthcoming 4 th Surveillance Audit. These recommendations were brought up at the Management Review meeting for discussion.
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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The LPPSB Management Review Meeting was conducted on 25/02/2022. The items discussed comprised: <ol style="list-style-type: none"> 1. Update stakeholders' records, correspondence & inputs 2. Domestic waste at workers quarters 3. Construction of oil spill trap at the genset station 4. Site assessment study in compliance with MSPO Principle 7 5. Briefing on contract for S&P of FFB & FFB grading report 6. Agrochemical 7. Training need analysis for plantation operation The issues discussed were related to the findings in the Internal Audit Report.
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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	SOP for Continual Improvement Plan Ref. LPPSB/MSPO/SOP/038, date 12/12/2019. A plan to improve 10 subject matters has been drawn up in the SOP.
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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	This year's CIP is based on the CIP for 2022 (ref. doc. LPPSB/MSPO/SOP/045; Issue 1; Issue Date 12/04/2022) which has been reviewed focussing on: <ul style="list-style-type: none"> • Build a premix area for chemical mixing • Usage of the FFB transporting machine – Bangau.



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MSPO Certification Services
ACB MSPO 15

Lubok Palaie Plantation Sdn Bhd(1012799-A)
Ref No: BQ/LPPSB/SVA04/04/23

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	available and feasible for adoption.		
4.1.4.2	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Established and Implemented through the Continual Improvement Plan which has detailed out requirements for 10 subject matters in the SOP (ref. doc. LPPSB/MSPO/SOP/038; Issue 1; Issue Date 12/12/2019); , among them: <ul style="list-style-type: none"> • Minimize use of pesticides, • Environmental impacts, • Maximizing recycling and minimizing waste or by-products generation.

PRINCIPLE 2		TRANSPARENCY	
Criterion 4.2.1: Transparency of information and documents relevant to MSPO requirements			
Indicator	Requirement	Compliance	Findings
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The following policies are available: <ol style="list-style-type: none"> 1. The MSPO policy, 2. Environmental Policy, 3. Human Rights Policy, 4. Minimum Age Policy, 5. Occupational Safety and Health Policy, 6. Prevention on Workplace Violence Policy 7. Social Policy. 8. Gender policy. 9. Sexual harassment policy. 10. HSE policy. 11. Good agriculture policy 12. Other company documents (all available in English and Bahasa Malaysia) are displayed on the noticeboard inside and outside site office. <p>1. Confidential documents may be accessed by personally approaching the estate manager or by calling him on the telephone.</p>
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Presently, the publicly available documents are displayed on the noticeboard in the site office and outside for easy access to workers and other stakeholders.
Criterion 4.2.2: Transparency method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	LPPSB Procedure of Communication and Consultation ref. No. PPSB/MSPO/SOP/031, Issue No. 1, Issue Date 26/10/2018.
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The estate manager, Mr. Ting Lik Cherng is appointed as the Communication Officer as per appointment letter from the Director Mr. Tang Lee Nang dated 09/08/2022 (renewed from the last issued on 01/08/2020).



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4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>List of stakeholders (updated as of 01/03/2023) sighted comprising of:</p> <ul style="list-style-type: none"> • Public & Government Bodies (15) • Suppliers – for construction materials (office, store, workshop, quarters, weighbridge & ramp (7) • Suppliers – consumer store (3) • Suppliers – fertilizer, insecticide & pesticide (7) • Suppliers – Foreign worker expenses (2) • Suppliers – Fuel, oil & gas (6)- • Suppliers – Office equipment, printing & stationery (5) • Suppliers – Repair & maintenance - machinery, lorry & motor vehicle (34) • Suppliers – Road construction (4) • Suppliers – Seedling, scheduled waste handling & fertilizer test (5) • Suppliers – Transport & freight (3) • Suppliers – building maintenance (2) • Clients – palm oil mill (1) • Clients - collection centre (2) <p>Sighted record of 1 stakeholder meeting 20/12/2022 held among estate staff to discuss fertilizer application with respect to age of the palms and the soil conditions. The meeting adjourned for a field visit with a fertilizer consultant from Hap Seng Fertilizer Sdn Bhd.</p>
Criterion 4.2.3: Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>LPPSB FFB Identification & Traceability Ref. No.: LPPSB/MSPO/SOP/029, Issue No. 2, Issue Date 12/12/2019, Rev. 1 defines the function, operational procedures, process monitoring and records.</p> <p>Letter of Appointment for Mr. Ting Lik Cherng as Traceability Officer. Ref: 001/12/2020 dated 01.12.2022 signed by the director Mr. Tang Lee Nang.</p>
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted FFB Transparency Inspections Record for January to April 2023. Samples are taken monthly from different blocks in the plantation of the FFB collected & delivered to the mill or the collection centre.</p> <p>Noted: FFB from Block Atong 1 (283 bunches at 3,890 kg) & Block 33 (733 bunches at 5,120 kg) were delivered to the mill by QAV2787 on 10/01/2023. The nett weight recorded at LPPSB was 9,440 kg but 9,060 kg at the BLD POM weighbridge (a difference of 380 kg).</p> <p>The estate weighbridge was last serviced on 27/06/2022 by LAK Weighing Systems (Sarawak) Sdn Bhd for RM1,000. This check & servicing conducted annually.</p>



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4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Letter of Appointment for Mr. Ting Lik Cherng (Daren Ting) as Traceability Officer as per appointment Ref: 001/12/2020 dated 01.12.2022 signed by the director Mr. Tang Lee Nang.
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted the following records for March 2023: <ul style="list-style-type: none"> Pasai Siong Sawit Sdn Bhd weighbridge advice ticket no. 005860 dated 03/03/2023 for 8,950 kg nett of FFB on lorry no. QAV2787with Delivery Order No. 4906. Igan POM (Bintulu Lumber Dev. Sdn Bhd) transaction no. 510211 dated 03/03/2023 for 11,420 kg nett of FFB on lorry no. QTG9055 with Delivery Order No. 4907. LPPSB weighbridge advice ticket no. 011460 dated 26/03/2023 for 11,240 kg nett of FFB on lorry no. QTG9055 with Delivery Order No. 4976.

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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted the LPPSB legal register and availability of hard copies of the various Acts including P.U. (A) 5 - Minimum Wages Order 2020 & P.U. (A) 140 - Minimum Wages Order 2022. Assessment for compliance is carried by the Legal Compliance Person-in-Charge. The Legal Register was last revised on 28/04/2022 and will be reviewed for any new updates on legislation.
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirement register.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The LPPSB legal register comprises a list of legislation arranged in alphabetical order. Last revision was done on 28/04/2022.
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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted the inclusion of the Minimum Wages Order 2022 dated 27/04/2022. Last revision of the legal register was on the 28/04/2022.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Mr Simon Sia is the Legal Compliance Person-in-Charge as per appointment letter from the Director dated 09/08/2018. He keeps track of changes through consultation with the relevant authorities (the Labour Dept on the Minimum Wages Order 2020 and the Immigration Dept on anything affecting hiring of Indonesian workers. Ref: LPP/2018/08/003 dated 09/08/2018.

Criterion 4.3.2: Land Use Rights

Indicator	Requirement	Compliance	Findings
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Rented from 3 NCR land owners: 1. Makus Anak Tukie (730313-13-5809), 2. Duchan Anak Makus (001226-13-0831 taking over from the late Nancy (F) Anak Anthony Alik



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			(760709-13-5028) 3. Sima (F) Anak Tukie (621006-13-5304). The agreed yearly rental is RM9,000 to be payable on or before the 7 th of August every year for 60 years, commencing from 07/08/2012.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted: Supplementary Agreement of 2018 incorporating above-named land owners in consideration of the demise of Nancy (F) Anak Anthony Tukie, wife of Makus anak Tukie on 14/02/2016 whose share has been transferred to their son Duchan Anak Makus. The purpose of the land is for oil palm estate or rubber estate.
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The perimeter boundary has been demarcated by the Land and Survey Dept in 2012 upon signing of the agreement between the investor LPPSB and the land owners. The pegs are mounted with the L&S poly peg clearly visible.
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	There has been no dispute or conflict with the land owners since plantation establishment with the signing of the agreement on 07/08/2012.
Criterion 4.3.3: Customary Rights			
Indicator	Requirement	Compliance	Findings
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The land owners have customary rights over the land but with the signing of the agreement, they are paid an annual rent of RM9,000 based on the area of their share.
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Plantation map (Lubok Palaie Plantation Sdn Bhd Total Area 421.77 ha) on A3 showing completed planting blocks (37 in all including block containing Atong 1 and Atong 2) on scale of 1 cm : 96.15 meters.</p> <p>A new map will be generated to indicate 6 new lots that had been included after the previous surveillance audit with planting commencing in May 2023. Sighted initial map on A4 titled Lubok Palaie Plantation Sdn Bhd – NCR lot showing the location of the following lots:</p> <ul style="list-style-type: none"> • Lot 1 of 4.5 ha at Sg Binjai (that of Inchan ak Garai of Rh Iboi) • Lot 2 of 3.03 ha at Sg Binjai (that of Misi ak Lasau of Rh Iboi) • Lot 6 of 5.53 ha at Sg Pasai (that of John ak Bunga of Rh Iboi) • Lot 7 of 9.16 ha at Sg Pasai (that of Markus ak Tukie)



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			<ul style="list-style-type: none"> Lot 8 of 13.3 ha at Sg Pasai (that of Joseph ak Belanjat) Lot 10 of 11.35 ha (identified as NCR land)
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Since the establishment of the plantation on 07/08/2012, there had not been any conflict or dispute with the NCR land owners.</p> <p>Proof of CSR and meeting with land owners sighted and verified.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>SEIA conducted and report submitted by SAYTECH GENERAL INSPECTION SERVICES SDN. BHD, Dated December 2017.</p> <p>Report includes development plans to mitigate negative impact while promoting and maintaining positives ones:</p> <p>a) Access and use rights. b) Economics livelihood and jobs opportunities.</p> <p>Other communities' values such as roads and communication improvement.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The complaints & grievances procedure had been established, signed and approved by Mr. Tang Lee Nang as per ref. no. LPPSB/MSPO/SOP/007 dated 04/02/2018.</p> <p>All past complaints and grievances are documented in the Complaints & Grievances Logbook</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>All complaints and disputes resolved timely and in appropriate manner that is accepted by all parties.</p> <p>Sighted : Two feedbacks were recorded for 2023 in the Complaints & Grievances Logbook. All requests were resolved within 2 days.</p> <p>Complaints & Grievances Log Book is kept in the site office.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Complaint forms are available for all employees and stakeholders to make complaint at the premises with a suggestion box for collecting all filled forms.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The complaint and grievance procedure has been explained at the morning muster with workers and periodic meetings with stake holders.</p>
4.4.2.5	Complaints and resolutions for the last 24 months shall be	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI	<p>Sighted record of all complaints and grievances since 02/10/2020. For the year 2023,</p>



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	documented and made available to affected stakeholders upon request.	<input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	two feedbacks were recorded for 2023 in the Complaints & Grievances Logbook.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The estate manager had encouraged workers to grow their vegetables by providing them with seeds and fertilizer.</p> <p>Noted the presence of a designated area for planting of vegetables to one end of both Labour Line 1 & 2. Apart from vegetables, other plants noted were young coconut (kelapa pandan) and bananas.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>OSH Policy developed and signed by current top management Mr. Tang Lee Nang dated 29th Jan 2018.</p> <p>Ref: LPPSB/MSPO/POLICY-05 dated 29/01/2018, for Safety And Health Policy.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Aspects of the above-mentioned Safety and Health policy are regularly touched upon during the morning muster before workers disperse for work.</p> <p>The policy is also displayed on the noticeboard at the office and at the guard house.</p>
B.	b) The risks of all operations shall be assessed and documented	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>HIRARC on all activities/operation are assessed and documented.as per HIRARC File - HIRARC 2021-2022.</p> <p>The document was last updated on 01/07/2021 and reviewed every six-months.</p> <p>There has been no change and the document is maintained.</p>
C.	An awareness and training program which includes the following requirements for employees exposed to pesticides:	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Awareness annual training program developed including safety and health aspects. Among the training conducted were classes on:</p> <ul style="list-style-type: none"> • Use of PPE for chemical handling in February 2023 • March 2023 - Fertilizer Application <p>Other classes will be held throughout the year to cover use of chemicals.</p>
C.1	All employees involved shall be adequately trained on safe working practices; and	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Among some of the training already conducted were classes on:</p> <ul style="list-style-type: none"> • Use of rat bait on 03/05/2022 for 5 workers attending • Pruning on 06/06/2022 for 7 workers • First aid training on 02/07/2022 for 7 workers • Use of PPE for chemical handling in February 2023



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			<ul style="list-style-type: none"> March 2023 - Fertilizer Application <p>OFI: To improve on housekeeping & reduce clutter at the workshop area for ease of movement and worker ergonomics.</p>
C.2	All precautions attached to products shall be properly observed and applied.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	All Safety Data Sheets on chemicals and fertilizer are displayed respectively on the walls of the chemical store and the fertilizer store.
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 and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Personal Protective Equipment are provided free of charge by the management as identified by HIRARC.</p> <p>The issuance of PPE is recorded in storekeeper's stock book. Sample noted: issuance of gloves for harvesters almost every month.</p>
E.	The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.	<input type="checkbox"/> Compliance <input type="checkbox"/> OFI <input checked="" type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The SOP for handling of chemicals has been established ref: no. LPPSB/MSPO/SOP/014 dated 0/05/2018, signed and approved by the director Mr. Tang Lee Nang.</p> <p>NC: Agro-chemicals and general store items were permitted to be located in one store room.</p> <p>Evidence: Consumables for field use and agro-chemicals were stored proper segregation between agro-chemicals and general store items.</p>
F.	The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>An officer is appointed to be responsible for workers safety and health.</p> <p>Refer Letter of appointment: LPP/2020/08/001 issued to Mr. Ting Lik Cherng, dated 01st Aug 2020.</p> <p>This arrangement is still maintained for 2023.</p>
G.	The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meetings are kept and the concerns of the employees and any remedial actions taken are recorded.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>OSH Committee meeting conducted to discuss matters and issues that affect their business related their employee's safety and health and welfare.</p> <p>The last meeting was conducted on 22/03/2023 attended by 9 estate personnel. The meeting focused on chemical handling.</p>
H.	Accident and emergency procedures shall exist and instructions shall be clearly	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor	The SOP for handling accident and emergency had been approved and signed by the Director Mr. Tang Lee Nang,



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	understood by all employees.	<input type="checkbox"/> NC - Major	Ref: LPPSB/MSPO/SOP/018 dated 12 th Dec. 2019. Procedures and instruction are communicated and explained to employees in the morning briefing.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	LPPSB has one trained employee on First Aid: <ul style="list-style-type: none"> • Mr. SAIFFULLAH BIN MAHATHIR, • I/C No. 890323-13- 6189 (Field Supervisor). • Cert No. Siri: (PCA01) 10671 expiry date on dated 03/11/2022. Four uniyts First aid box are available distributed to: <ul style="list-style-type: none"> • Office • Workshop • Labour Line 1 • Labour Line 2
J.	Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	A record of minor accidents was recorded in the LPP Injury Record Book (2 cases of harvesters pricked by thorns on fronds in 2022). Management keeps (both accidents and near misses) for enhanced monitoring of safety and health among workers and staff.
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The LPPSB Human Rights Policy has been established ref. no.: LPPSB/MSPO/POLICY-07' dated 29.01.2018 was signed by company director, Mr. Tang Lee Nang dated 2/01/2018. It is displayed on the office wall and the noticeboard at the guard house.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The LPPSB Sexual Harassment & Gender Discrimination Policy has been established & signed by Managing Director Mr. Tang Lee Nang dated 14 th May 2018. Ref: LPPSB/MSPO/POLICY-06 dated 14/05/2018. The policy is displayed on the noticeboard at the office and guard house and communicated to employees during meeting muster.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Employees pay and condition meet the legal industry minimum standard as evident in the following samoles: Sample A (local staff): Mr. Saifullah Bin Mahathir (890323-13-6189 (Field Conductor) January 2023 payslip showing basic pay of RM1,850 + allowance of RM300 + total pay of RM2,150. Sample B (migrant worker on contract):



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			<p>Mr Mael January 2023 payment voucher dated 31/01/2023 indicating 2 tasks executed:</p> <ul style="list-style-type: none"> • Harvesting being paid RM1,930.70 • Pruning being paid RM261.80 <p>Total = RM2,192.50</p> <p>Both employees received more than the minimum wages as per the Minimum Wage Order 2022.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	All works are done by own staff except for transporting of FFB. Contract agreement sighted (ref. FFB TRANSPORTING AGREEMENT with Goodwill Transport Co. dated March 2018) signed by both parties and in accordance with the minimum pay requirement.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Accurate records of all accounts on all employees including seasonal workers with details on gender, position held, their IC/passport number, date of birth, passport expiry date, place of birth, date of joining and handphone number.</p> <p>The LPPSB manpower register was last updated in March 2023.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>All workers are issued with employment contracts, signed by both employee and employment representative.</p> <p>A sample contract quoted here is that of SUMBANG ANAK AMIN (male) contract signed on 26th August 2020. IC NO. : 600423-13-5839 DOB: 23-04-1960 RELIGION : CHRISTIAN NATIONALITY : MALAYSIAN</p>
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The punch card system is used for the estate office staff.</p> <p>The check roll is kept for migrant workers who work on contract basis. The field supervisor checks the attendance of the workers during the morning muster and verifies payment vouchers at the end of the month.</p>
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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Working hours and break in time records comply with legal regulations and collective agreements.</p> <p>Working hours and overtimes are put on display for transparency.</p> <p>Working hours - 8hrs = 1 man day. Overtime paid 1.5 times actual pay.</p>



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	always be compensated at the rate applicable and shall meet the applicable legal requirement.		Working on weekend 2 times Basic pay.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Current wages and overtimes payment reflected in pay slip and punch card meets legal requirement.</p> <p>As per the previous sample quoted:</p> <p>Sample A (local staff): Mr. Saifullah Bin Mahathir (890323-13-6189 (Field Conductor) January 2023 payslip showing basic pay of RM1,850 + allowance of RM300 + total pay of RM2,150.</p> <p>Sample B (migrant worker on contract): Mr Mael January 2023 payment voucher dated 31/01/2023 indicating 2 tasks executed:</p> <ul style="list-style-type: none"> • Harvesting being paid RM1,930.70 • Pruning being paid RM261.80 <p>Total = RM2,192.50</p> <p>Both employees received more than the minimum wages as per the Minimum Wage Order 2022.</p>
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The following social benefits are given to employees:</p> <p>a. Incentives depending annual profit for local permanent staff only. b. Free housing/quarters for all employers. c. Water</p>
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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>On site living quarters are provided with basic amenities and facilities in compliance with workers minimum standard housing and amenities. Water and electricity are provided free.</p> <p>Good practice on recycling noted: herbs and flowers in the house were planted in hanging pots made from used drink bottles. For landscaping of the compound perimeter, flowering shrubs were planted in used tyres.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sexual harassment and violence policy established and implemented by posting it on noticeboard and constant reminder during weekly assembly. Policy signed by director Mr. Tang Lee Nang , Ref: LPPSB/MSPO/POLICY-06 dated 14.05.2018 Document sighted and verified.</p>
4.4.5.13	The management shall respect the right of all employees to	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI	Rights of all employees are respected and reflected in Human Rights Policy.



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	form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.	<input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Document signed by top management, Mr. Tang Lee Nang, dated 14 th May 2018. Ref: LPPSB/MSPO/POLICY-07 dated 14 th May 2018.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	No children or young person employed by the management. As per the Manpower Register, the youngest worker is 32 years old harvester named Mustari.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Training programmes developed and conducted for all employees and contractors. Among some of the training already conducted were classes on: <ul style="list-style-type: none"> • Use of rat bait on 03/05/2022 for 5 workers attending • Pruning on 06/06/2022 for 7 workers • First aid training on 02/07/2022 for 7 workers • Use of PPE for chemical handling in February 2023 • March 2023 - Fertilizer Application
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	TNA conducted and plan prior to implementation of the training programme. Sample sighted: Manuring with a set of criteria for workers to acquire. The training was conducted on 02/02/2023, attended by 10 workers.
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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The training program for 2023 is available scheduled as follows: <ul style="list-style-type: none"> • Use of PPE for chemical handling in February 2023 • March 2023 - Fertilizer Application



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	responsibility, in accordance to the documented training procedure.		<ul style="list-style-type: none"> • April 2023 – Chemical mixing & spraying • May 2023 – Fire extinguisher training • June / July 2023n– First Aid • July 2023 – machinery safety • August 2023 – Application of pesticides • Sept. 2023 – training on safety & health • Oct. 2023 – frond stacking & alignment • Nov. 2023 – scheduled waste management • Dec. 2023 – emergency response
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	LPPSB Environmental Management Policy was prepared by Mr Kong Chong Lung and approved and signed by the Managing Director, Mr Tand Lee Nang on the 29th January 2018. The policy can be seen pinned to the notice boards situated around the site office including the guard post at the entrance.
4.5.1.2.	The environmental management plan shall cover the following:		
A.	An environmental policy and objectives	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Environmental policy described as above contained 5 objectives: <ol style="list-style-type: none"> 1. Legal Compliance 2. Continual Improvement in sustainable management 3. Minimizing adverse environmental effects arising from plantation activities 4. Improving efficiency of resource utilization 5. Minimizing pollution
B.	The aspects and impacts analysis of all operations.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Four areas of plantation operations are identified and analyzed for aspects and impacts: <ol style="list-style-type: none"> 1. Scheduled waste store 2. Vehicle and machinery workshop 3. Pest and disease control (Chemical calibration and mixing) 4. Pest and disease control (Pesticides and chemical spraying) Chemical mixing and triple-rinsing station has been constructed and completed in April 2022.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Elements of the environmental improvement plan are covered in LPPSB/MSPO/SOP/038, Issue No.1, Issue Date 12/12/2019. Among the environmental subject matters covered are: <ul style="list-style-type: none"> • Minimize use of pesticides • Maximize recycling and minimize waste or by-products generation • Pollution prevention



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			<ul style="list-style-type: none"> Estate inputs monitoring <p>The positive and negative impacts of all operations include the following: Safety & health, Harvesting, Spraying, Manuring, Transport FFB, Socio-economic impact, Generation of employment and business opportunity Domestic and scheduled waste.</p>
4.5.1.4	A program to promote the positive impacts should be included in the continual improvement plan.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Elements of the environmental improvement plan are covered in LPPSB/MSPO/SOP/038, Issue No. 1, Issue Date 12/12/2019. Among the environmental subject matters covered are:</p> <ul style="list-style-type: none"> Minimize use of pesticides Maximize recycling and minimize waste or by-products generation Pollution prevention Estate inputs monitoring
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>As viewed in the training program for year 2022, certain programs related to the Environmental Issues and awareness were conducted in-house as such:</p> <ol style="list-style-type: none"> Pest & Disease Control - 02/02/2022 attended by 4 persons Pest & Disease Control - 03/05/2022 attended by 5 persons Environmental Awareness - 05/08/2022 attended by 7 persons Waste Management - 12/09/2022 attended by 8 persons
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The latest Occupational Safety & Health/Environmental Committee was conducted on 22/03/2023. The main discussion was on the use of suitable PPE for pesticide and herbicide handling and spaying.</p> <p>General cleaning by the workers at both quarters has been conducted successfully as mentioned in the Management Review Meeting on the 08/03/2023 and also observed on site.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Usage of Diesel at the plantation for year 2022 was at 61800 liter which is much higher than the previous year that consumed 38,242 liter. The reason was given because of restricted movement imposed during the COVID-19 pandemic.</p> <p>LPP got it Diesel supply from the nearby sister company, furniture manufacturing subsidiary Deck Hua Enterprise Sdn Bhd. Viewed at the 'Permit Barang Kawalan Berjadual' ref: KPDN/SBU/SK-D/600-1/11/61, the factory is allowed to buy 36,000 liters per month.</p>
4.5.2.2	The oil palm premises shall	<input checked="" type="checkbox"/> Compliance	Viewed in the electricity usage record for the



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	estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.	<input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	plantation for year 2022 (Jan-Dec) was at 19190 kWh, higher than the previous year at 17546 kWh. Electricity is supply by SESCO to the main office but not to the workers quarters located few kilometers into the plantation. It should have been a cheaper electricity source compare to using diesel generator, but the high initial costs of constructing electricity line to the workers quarters hindered the connection for now.
4.5.2.3	The use of renewable energy should be applied where possible.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The spot lights to provide night long illumination for the office and store area are powered by 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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Management of Waste Generated by Estates LPPSB/MSPO/SOP/033, issue no. 1, issue date 27/10/2018 lists out 8 types of waste: <ol style="list-style-type: none"> 1) Scheduled waste 2) Empty chemical containers 3) Household rubbish disposal 4) Line site wastewater 5) Pruned fronds 6) Felled palms 7) Used clinical syringes 8) Scrap iron 9) Used tyres 10) Empty fertilizer bag
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:		
A	Identifying and monitoring sources of waste and pollution	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Mentioned in the Mitigation Measure in the file titled, SOP on Management of Waste Generated by Estates such as: <ul style="list-style-type: none"> • Recycling of empty chemical containers • Recycling of plastic, glass and metal containers • Sale of scrap metal • Stacking of pruned fronds to mitigate soil erosion & reduce impact on waterways. Noted that the landfill is already closed, all domestic waste are disposed off at the SMC Waste collection point at the junction of the Pasai Tengah Road.
B.	Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Mentioned in the Mitigation Measure in the above-named SOP on Management of Waste Generated by Estates such as: <ul style="list-style-type: none"> Recycling of empty chemical containers Recycling of plastic, glass and metal containers Sale of scrap metal



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			<p>Stacking of pruned fronds to mitigate soil erosion & reduce impact on waterways. The plantation has adopted ingenious ways to recycle used tires and plastic containers and bottles as decorative materials and landscaping.</p> <p style="background-color: yellow;">OFI: Garbage bins need to be closed at all time to prevent bad smell, water accumulation, attracting flies and mosquitoes and scavengers. Sighted at Labour Line 2.</p>																		
4.5.3.3	<p>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>	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The disposal of used chemicals were handled by appointed Jabatan Alam Sekitar contractor, TLM Tiasa Hijau Sdn Bhd. ESWIS data indicated that in year 2022 the plantation disposed as such:</p> <p>Schedule Waste Handling</p> <table border="1"> <thead> <tr> <th>Waste Code</th> <th>Name of Waste</th> <th>Quantity Generated (MT)</th> </tr> </thead> <tbody> <tr> <td>SW102</td> <td>Used Battery</td> <td>0.077</td> </tr> <tr> <td>SW305</td> <td>Spent Oil</td> <td>0.213</td> </tr> <tr> <td>SW306</td> <td>Spend Hydraulic Oil</td> <td>0.000</td> </tr> <tr> <td>SW409</td> <td>Empty Container</td> <td>0.0496</td> </tr> <tr> <td>SW410</td> <td>Oil Filter</td> <td>0.0272</td> </tr> </tbody> </table>	Waste Code	Name of Waste	Quantity Generated (MT)	SW102	Used Battery	0.077	SW305	Spent Oil	0.213	SW306	Spend Hydraulic Oil	0.000	SW409	Empty Container	0.0496	SW410	Oil Filter	0.0272
Waste Code	Name of Waste	Quantity Generated (MT)																			
SW102	Used Battery	0.077																			
SW305	Spent Oil	0.213																			
SW306	Spend Hydraulic Oil	0.000																			
SW409	Empty Container	0.0496																			
SW410	Oil Filter	0.0272																			
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national program on recycling of used HDPE pesticide containers.</p>	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Empty chemical containers are triple washed to be reused as containers for lubricating oil. Used containers are perforated and stored (as sighted in the Scheduled Waste Store) prior to disposal as SW 409 through a licensed scheduled waste collector TLM Tiasa Sdn Bhd.</p>																		
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p>	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The LPP Landfill is already closed on 03/04/2022. The estate is disposing of domestic waste (generated by the office) and Labour lines through the Sibu Municipal Council scavenging service at the collection point at junction of the Pasai Tengah Road.</p>																		
<p>Criterion 4.5.4: Reduction of pollution and emission</p>																					



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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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The assessment of all polluting activities is well documented in the file entitled "RISK AND OPPORTUNITY ASSESSMENT (Environmental Aspects and Impact)" was approved and signed by Mr. Tang Lee Nang. The EMM Form has seven columns - Environmental Aspect, Environmental Impact, Risk, Action to Address Risk, Opportunity, Action to Address Opportunity and Compliance Obligation. GHG Measurement (Ref: GHG Emission Assessment File) LPP also calculated GHG emission from fuel usage, Electricity and Field emission process (Fertilizer). The estimated GHG Value for the period Jan 2022 to Dec 2022 is shown below: FFB Production : 11863640 kg/year 2022 GHGV: 632068.95 GHG Emission: 632068.95/11863640 = 0.0533 Kg CO2 eg/Kg FFB</p>
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The action plan to reduce the identified significant pollutants and emissions can be viewed in the Environmental Improvement Plan.</p>
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted was SOP for Water Management file ref: LPPSB/MSPO/SOP/017, issue no.1, issue date: 07/05/2018.</p>
A	Assessment of water usage and sources of supply.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>The site office complex got it water source from Sibu Water Board. Record shows that the water usage was at 3257 liters between the month of Jan to Dec 2022. A considerable rise from year 2022 of 1008 liters but lower than year 2021 at 4542 liters. Consumption of water seem to be inconsistent year to year.</p>
B	Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Water samples of the Sungai Pasai adjacent to the plantation (downstream and upstream) were taken by Eco Alam Sinar Sdn Bhd on 16th February 2023 and analysed by Envic Laboratory Sdn Bhd. The Lab released the report on the 12th March 2023. The report can be sighted titled 'Environmental Monitoring Report (EMR) for Ladang Sawit Lubok, Sg Pasai, Sibu Division, Sarawak. The location of the taken samples can be found in the report.</p>
C	Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage,	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Rain water harvesting is very much in evidence at the office complex and at the workers quarters using rows of blue HDPE tanks at the labour lines. Workers use the water for washing and other general usage. Drinking water is obtained from the site office that got it supply from Sibu Water Board.</p>



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	collection of rainwater, etc.).		
D	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along natural waterways within the estate.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The riparian zone along the plantation boundary in Block 1B was ascertained to be well demarcated with standing vegetation still in place. De-silting of the drainage system was done regularly to improve water flow and prevent wide spread flood during rainy seasons.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The block boundary stops at the riparian zone. Thus, there is no planting on the bank of the river
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable as there were no bore wells.
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable as the plantation does not straddle any waterway. Bunds, weirs and dams are not in use.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Rain water is harvested at the living quarters for workers for use in washing. Drinking water is obtained from the Sibu Water Board and supplied to the estate office and the living quarters
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted posters on wildlife (protected and fully protected) from the Sarawak Forestry Corporation. The quarterly EMR keeps track of biodiversity issues. However, no high biodiversity value habitats are identified within the Lubok Palaie Plantation.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The EMR monitors biodiversity in the plantation. No RTE species are identified within the Lubok Palaie Plantation.
4.5.6.2.	If rare, threatened or		



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	endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:		
A	Ensuring that any legal requirements relating to the protection of the species are met.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Posters on wildlife (protected and fully protected) are available and posted on the outside wall of the office and at the security guard post.
B	Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted signage for No Hunting, No Felling & No Open Burning at the compound of the estate office and at the main gate.
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Staff and workers have been briefed on compliance regarding wildlife conservation including sighting and identification. Sighted: A Register Book of wildlife location seen or heard in the plantation is available and maintained for recording sighting of wildlife and protected plant species.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	No evidence of it being practiced.
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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Not applicable
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"/> Compliance <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"/> Compliance <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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor	LPP documented Standard Operating Procedures found to be covering all the estate operations and observed to be appropriately implemented and



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	implemented and monitored.	<input type="checkbox"/> NC - Major	monitored. Lists of SOPs are viewed in the folder Lubok Palaie Plantation Sdn Bhd Standard Operating Procedures that include: <ol style="list-style-type: none"> 1. Manuring (LLPSB/MSPO/SOP/001) 2. Estate Upkeep & Cultivation (LLPSB/MSPO/SOP/002) 3. Pest and Disease (LLPSB/MSPO/SOP/003) And etc.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Lubok Palaie Plantation occupies a flat lowland beside the Pasai river with small patches of high ground. Sighted pits scattered among palms on slopes to conserve water. All access roads had side drains.
4.6.1.3	A visual identification or reference system shall be established for each field.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Each block was marked with a placard stating year of planting and size of the block. <ul style="list-style-type: none"> • Total no. of block: 37 • Planting material: i. AA DXP Hybrid ii. Golden hope. • Total number of palms: 60,205 • Year planted: 2012 Land used: 421.77h
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Auditor were provided with forecasting data from the following files: <ul style="list-style-type: none"> • Monthly FFB per Hectar Year 2020 to 2022 • Profit and Loss for Period Ended 31 December 2022 • Volume of Production (Historic) for Year 2015 to 2022 • Volume of Production (Forecast) for Year 2023 to 2027 • Budgeted (Forecast) Summary Income & Expenditure cost FY 2023 - 2026
4.6.2.2	Where applicable, an annual replanting program shall be established. Long term replanting program should be established and review annually, where applicable every 3-5 years.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The youngest trees are 11 months at Block 32C and oldest planted are at 11 years old. Replanting program is not applicable as of this audit.



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4.6.2.3	The business or management plan may contain:														
A	Attention to quality of planting materials and FFB.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Planting material: Golden Hope AA DXP Hybrid												
B	Crop projection: site yield potential, age profile, FFB yield trends.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The oldest planted crops are at 11 years and the newly planted crops at Block 32C are only 11 months old. Sighted in the file Monthly FFB per Hectare, the FFB production seem to be increasing from 8405 MT in year 2020 to 11,378.75 in year 2022. The expected yield for Year 2023 is 11,840. The new planted area added 35.52 Ha to the total plantation to 457.29 Ha.												
C	Cost of production: cost per ton of FFB.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	In year 2022, the FFB produced was at 11,378.75 MT that generating sales of RM 11,638,387 with the net profit of 6,083,605.02. The cost per Mt/year was at RM 488.17 and RM 13,170.17 per ha/year. The net profit per ha was RM 14,424/year.												
D	Price forecast	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The average price forecast according to the file Price Forecast for Year 2023 to 2027 are as follow: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Year</th> <th>Avg Price Forecast</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>754.30</td> </tr> <tr> <td>2024</td> <td>805.00</td> </tr> <tr> <td>2025</td> <td>836.25</td> </tr> <tr> <td>2026</td> <td>819.16</td> </tr> <tr> <td>2027</td> <td>834.16</td> </tr> </tbody> </table>	Year	Avg Price Forecast	2023	754.30	2024	805.00	2025	836.25	2026	819.16	2027	834.16
Year	Avg Price Forecast														
2023	754.30														
2024	805.00														
2025	836.25														
2026	819.16														
2027	834.16														
E	Financial indicators: cost benefit, discounted cash flow, return on investment.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	At the end of accounting period at Dec 2022, LPP generated RM 11.638,387.98 of sales/revenue from FFB yield of 421.77 ha or 27,594.15 per ha. The overall cost throughout the year 2022 accounting period was valued at RM 5,554,782.96 or RM 13,170.17 per ha. Net profit per ha/year was at RM 14,424.												
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The Site office will feed production and sales info to the Accounts Department each month. The Account Department has made forecast of production, sales, price and profit and loss statements from Year 2023 to 2027. Both side just need to input actual data and make comparison of the forecst goals each accounting years.												

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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Field workers are offered contract fees to tasks performed at the plantation: <table style="margin-left: 20px;"> <thead> <tr> <th>Task/Jobs</th> <th>Unit</th> <th>Price (Rm)</th> </tr> </thead> <tbody> <tr> <td>Harvesting</td> <td>MT</td> <td>40</td> </tr> <tr> <td>Manuring</td> <td>Ha</td> <td>12</td> </tr> <tr> <td>Weeding</td> <td>Ha</td> <td>15</td> </tr> <tr> <td>Slashing</td> <td>Ha</td> <td>15</td> </tr> <tr> <td>FFB Loading</td> <td>MT</td> <td>6</td> </tr> <tr> <td>Rat Baiting</td> <td>Ha</td> <td>6</td> </tr> <tr> <td>Transporting</td> <td>Trip</td> <td>5</td> </tr> </tbody> </table>	Task/Jobs	Unit	Price (Rm)	Harvesting	MT	40	Manuring	Ha	12	Weeding	Ha	15	Slashing	Ha	15	FFB Loading	MT	6	Rat Baiting	Ha	6	Transporting	Trip	5
Task/Jobs	Unit	Price (Rm)																									
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Transporting	Trip	5																									



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			Soil & Gravel Pruning Tree 0.35 De-silting Field 5 feet 0.18 Drain De-silting collection drain 0.28
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted are the Payment Voucher No: PV2212056 and Collection Receipt No: 0063 dated 31st December 2022 to Goodwill Transport Co. Payments are fair, legal and transparent and based upon agreed rates and to be paid once at months end. Contractor can make advances on the middle of the month as stipulated in the contract agreement.
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"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Contractor are aware and understand MSPO requirement. Evidence in photos, record of training, meeting and attendance available . Document sighted and verified. Also, MSPO requirements are stated as Term no 3 of the Contract Agreement.
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted is a Contract Agreement ref: LPPSB/Agreement/001 dated March 2018 between LPPSB and Goodwill Transport Co. signed by Mr Tang Lee Nang, Managing Director of LPPSB and Mr Law Ngie Tai of Goodwill Transport Co.
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	LPPSB has contracted BQAS Certification Sdn Bhd to perform Surveillance Audit 4 on the 21st April 2023.
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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	The officer responsible for the observance and control points applicable to the tasks perform by the contractor is the Estate manager, Mr Ting Lik Cherng.

PRINCIPLE 7 DEVELOPMENT OF NEW PLANTING

No new planting. The plantation is still in its' first cycle



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5.2.	Summary of Findings
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Table 5.2.1 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				1	1		2
Total				2	1		3

There was a total of Three (3) findings, which were categorised as NC Minor (1) and Opportunity for Improvement (2).

6.0 PREVIOUS AUDIT RESULT (IF APPLICABLE)	
No. of Non-Conformity (NC) raised from the previous audit	MSPO Surveillance Audit 03 (Year 4) 1 Minor Non-compliance 2 Opportunity for Improvements
The audit team has reviewed the result from the previous audit (MSPO Surveillance Audit 02) and verified the effectiveness of the closing of any Non-Conformity (NC) raised. As a conclusion:	
<input checked="" type="checkbox"/>	The Minor Non-compliance and the two OFIs raised during the previous audit had 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 **APPENDIX B: Status of Nonconformities (NC) Raised in the Previous Audit**



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**Table 5.1 DETAIL OF SURVEILLANCE AUDIT 04 FINDINGS
 LUBOK PALAIE PLANTATION SDN BHD**

No.	CAR	PRINCIPLE	CRITERION	FINDINGS
1	NC- Minor	Principle 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY & EMPLOYMENT CONDITIONS	Criterion 4.4.4: Employees safety and health	<p>MSPO Clause 4.4.4.2 E states: "The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000."</p> <p>Finding: Agro-chemicals and general store items were permitted to be located in one store room.</p> <p>Evidence: The chemical store visited did not show proper segregation between chemicals and general store items.</p>
2	OFI	Principle 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY & EMPLOYMENT CONDITIONS	Criterion 4.4.4: Employees safety and health	<p>MSPO Clause 4.4.4.2 C1 states: "All employees involved shall be adequately trained on safe working practices"</p> <p>Improvement required: To improve on housekeeping & reduce clutter at the workshop area for ease of movement and worker ergonomics.</p>
3	OFI	Principle 5: ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY & ECOSYSTEM SERVICES	Criterion 4.5.3: Waste management and disposal	<p>MSPO Clause 4.5.3.2 B states: "Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products."</p> <p>Improvement required: Garbage bins need to be closed at all time to prevent bad smell, water accumulation, attracting flies and mosquitoes and scavengers.</p>



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6.1 Corrective Action Report

The Corrective Action Report for the five Minor NCs are as follows:

	Your Name ACB MSPO 15 MSPO Certification Services	LUBOK PALAIE PLANTATION SDN BHD	CORRECTIVE ACTION REPORT SURVEILLANCE AUDIT 04 Date: 21 04 2023
6.1.1	Standards: MS 2530-3:2013	Ref: BQ/LPPSB/SVA03/05/223	CAR No: 01
6.1.1.1	Findings	To be completed by Auditor	
	Principle 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY & EMPLOYMENT CONDITIONS	Criterion 4.4.4: Employees safety and health	
<p>MSPO Clause 4.4.4.2 E states: "The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000."</p> <p>Finding: Agro-chemicals and general store items were permitted to be located in one store room.</p> <p>Evidence: The chemical store visited did not show proper segregation between chemicals and general store items.</p>			
6.1.1.2	Classification	To be completed by Auditor	
	<input type="checkbox"/> NC 1: Major non-conformity <input checked="" type="checkbox"/> NC 2: Minor non-conformity Type of follow up: <input checked="" type="checkbox"/> Document review [off-site audit]	<input type="checkbox"/> OFI: Opportunity for improvements <input type="checkbox"/> On-site audit	
6.1.1.3	Confirmation	To be completed by Client	
	Findings & classification are correct	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Date: 21/04/2023	Name: Simon Sia	Job Title: MSPO Management Representative
6.1.1.4	Root cause[s] of NC or OFI	To be completed by Client	
	<p>Remarks: The management of Lubok Palaie Plantation Sdn Bhd is in the process of constructing a new buiding for the storage of Agro-Chemical and the existing one to be used as storage for general store item, thus, the use of the same building for both items.</p>		
6.1.1.5	Corrective action taken (s)	To be completed by Client	
	<p>Remarks: The new store for Agro-Chemical is already completed. All Agro-Chemicals are stored in the new building and the general Store item had been segregated and stored in the old building.</p> <p>Attachment 1 - Picture of Store during Audit and Picture of New Store Where Agro-Chemicals arranged in proper order.</p>	Signature:	
	Date: 24 05 2023	Name: Darren Ting	Job Title: Estate Manager
6.1.1.6	Closure of NC or OFI findings	To be completed by Lead Auditor	



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	Remarks: The corrective action taken as evident in the photographs attached has rectified the non-conformity raised in this audit.		
	Action for closing NC or OFI has been implemented and is found acceptable.		
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
	Date: May 26, 2023	Name: Dominic Retan Giah	



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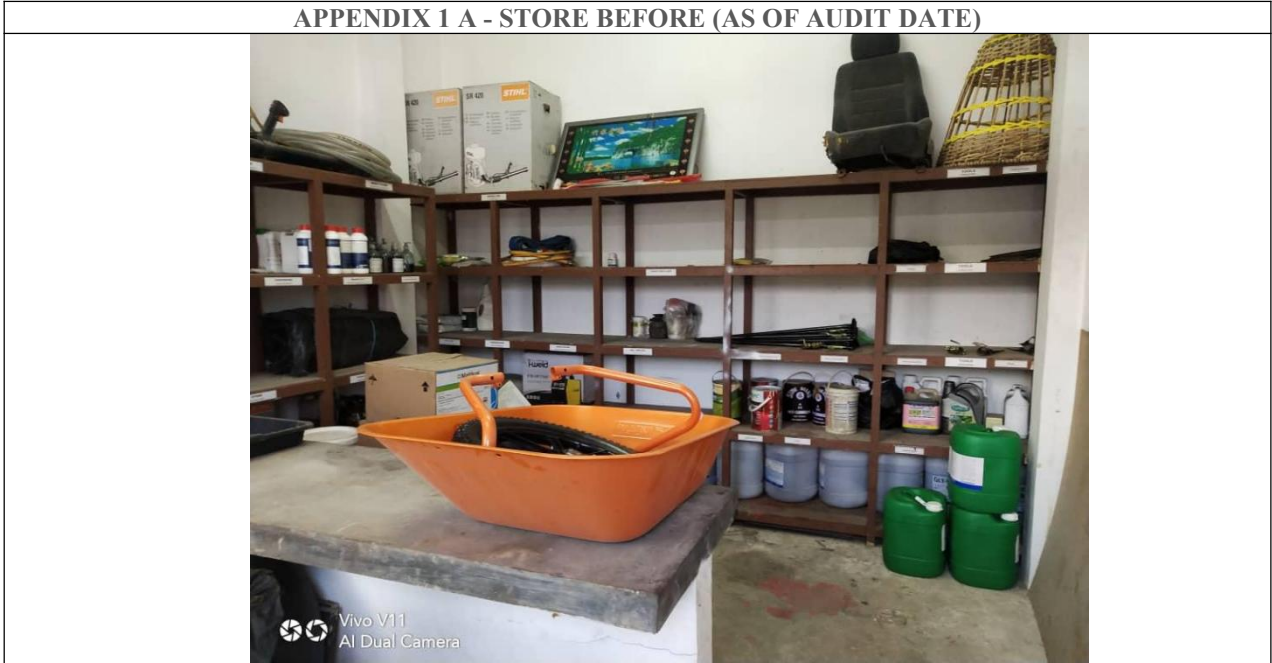
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APPENDIX 1 A - STORE BEFORE (AS OF AUDIT DATE)



APPENDIX 1 B - STORE AFTER SEGREGATION





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6.1.2	Standards: MS 2530-3:2013	Ref:	CAR No: 02
6.1.2.1	Findings	To be completed by Auditor	
	Principle 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY & EMPLOYMENT CONDITIONS	Criterion 4.4.4: Employees safety and health	
<p>MSPO Clause 4.4.4.2 C1 states: "All employees involved shall be adequately trained on safe working practices"</p> <p style="background-color: yellow;">Improvement required: To improve on housekeeping & reduce clutter at the workshop area for ease of movement and worker ergonomics.</p>			
6.1.2.2	Classification	To be completed by Auditor	
	<input type="checkbox"/> NC 1: Major non-conformity <input type="checkbox"/> NC 2: Minor non-conformity Type of follow up	<input checked="" type="checkbox"/> OFI: Opportunity for improvements <input checked="" type="checkbox"/> Document review [off-site audit]	<input type="checkbox"/> On-site audit
6.1.2.3	Confirmation	To be completed by Client	
	Findings & classification are correct	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Date: 21/04/2023 Name: Simon Sia	Job Title: MSPO Management Representative	
6.1.2.4	Root cause[s] of NC or OFI	To be completed by Client	
	Remarks: Having Issues with workers' work safety and health attitude.		
6.1.2.5	Corrective action taken (s)	To be completed by Client	
	Remarks: The management of Lubok Palaie Plantation sdn Bhd had organised Trainings on safety and health at work place. After the training all Workers involved in the cleaning, rearranged tools & equipment to Ensure good housekeeping is parcticed and safety work environment is maintatined. <i>Appendix 2A - Picture showing condition of workshop during audit</i> <i>Appendix 2 B - Picture after training and good housekeeping</i>	Signature: 	
	Date: 24/05/2023 Name: Darren Ting	Job Title: Estate Manager	
6.1.2.6	Closure of NC or OFI findings	To be completed by Lead Auditor	
	Remarks: Pictorial evidence attached.		
	Action for closing NC or OFI has been implemented and is found acceptable.		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	Date: May 26, 2023 Name: Dominic Retan Giah		



MSPO SURVEILLANCE CERTIFICATION REPORT 04 [Year 05] 2023

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Lubok Palaie Plantation Sdn Bhd(1012799-A)
Ref No: BQ/LPPSB/SVA04/04/23

Standard: MS 2530-3:2013

On Site Audit

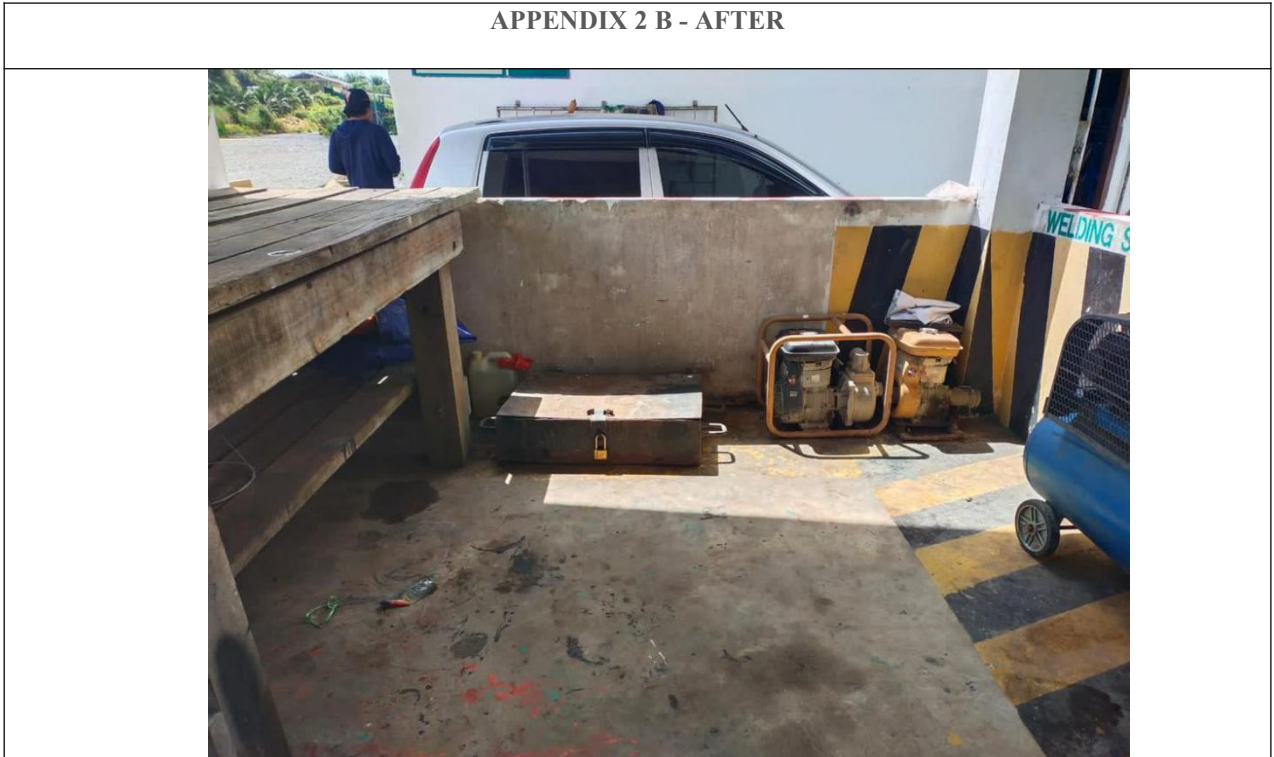
Report Date: 21/04/2023

ATTACHMENT CAR 02 - PICTORIAL EVIDENCE

APPENDIX 2 A - BEFORE



APPENDIX 2 B - AFTER





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6.1.3	Standards: MS 2530-3:2013	Ref:	CAR No: 03
6.1.3.1	Findings	To be completed by Auditor	
	Principle 5: ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY & ECOSYSTEM SERVICES	Criterion 4.5.3: Waste management and disposal	
<p>MSPO Clause 4.5.3.2 B states: "Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products." Improvement required: Garbage bins need to be closed at all time to prevent bad smell, water accumulation, attracting flies and mosquitoes and scavengers.</p>			
6.1.3.2	Classification	To be completed by Auditor	
	<input type="checkbox"/> NC 1: Major non-conformity <input checked="" type="checkbox"/> NC 2: Minor non-conformity <input checked="" type="checkbox"/> OFI: Opportunity for improvements		
	Type of follow up <input checked="" type="checkbox"/> Document review [off-site audit] <input type="checkbox"/> On-site audit		
6.1.3.3	Confirmation	To be completed by Client	
	Findings & classification are correct	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Date: 21/04/2023 Name: Simon Sia Job Title: MSPO Management Representative		
6.1.3.4	Root cause[s] of NC or OFI	To be completed by Client	
	Remarks: Management oversight and workers' safety & health Issues.		
6.1.3.5	Corrective action taken (s)	To be completed by Client	
	Remarks: The Lubok Palaie management had called a meeting with all the workers regarding health and safety condition within the Labour Line area. "Gotong Royong" was conducted and the labour line area was cleared, waste/rubbish collected and the Recycle Bin placed in a proper condition and the Bins were given lids. <i>Appendix 3 A - Picture of the Recycle Bin Before 'Gotong Royong' Project.</i> <i>Appendix 3 B - Assembly Point Signage being cleared of Recycle Bins</i> <i>Appendix 3 c - Picture of Bins after the "Gotong Royong" project</i>	Signature: 	
	Date: 10/06/2022 Name: Darren Ting Job Title: Estate Manager		
6.1.3.6	Closure of NC or OFI findings	To be completed by Lead Auditor	
	Remarks: The corrective action taken as evident in the supporting photographs has made an improvement on the efficiency of resource utilization and recycling of potential wastes. The recycle bins have their lids on.		
	Action for closing NC or OFI has been implemented and is found acceptable.		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	Date: May 26, 2023 Name: Dominic Retan Giah		

ATTACHMENT CAR 03 - PICTORIAL EVIDENCE

Appendix 3 A - Recycle before ‘Gotong Royong’ project



Appendix 3 B - Assembly Point Signage being cleared of Recycle Bins (After)



Appendix 3 C - Recycle Bins being placed, marked and covered properly (After)





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Standard: MS 2530-3:2013

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7.0 SUMMARY STATEMENT OF LEAD AUDITOR

Report Summary:

The purpose of this Surveillance Audit 04 is to evaluate the implementation, including effectiveness of **Lubok Palaie Plantation Sdn Bhd's** Certification management systems and that the requirement of the Standards MS2530-3:2013 is fulfilled.

There were Three (3) findings; which were categorized as Minor Non-Compliance (1) and Opportunity for Improvements (OFIs) in this Year 4 Surveillance Audit.

All of the Three (3) Findings were closed on the 26th May 2023.

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 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 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 Plantations and Organized Smallholders for Lubok Palaie Sdn Bhd's** Certification management systems and that the requirement of the Standards MS2530-3:2013 is fulfilled.

8.0 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.



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9.0 AUDIT PROGRAM

Item	Description	Man-Days	Tentative Dates
Initial Certification Audit	Site Audit - Stage 1	4	05-06/12/2018
	Site Audit - Stage 2	4	12-13/02/2019
Annual Surveillance Audit – Year 1	Site Audit	4	02-03/09/2020
Annual Surveillance Audit – Year 2	Remote Audit	3	06 - 07 06 2021
Annual Surveillance Audit – Year 3	Site Audit	4	05 - 06 05 2022
Annual Surveillance Audit – Year 4	Site Audit	4	19-21 April 2023
Re-certification Audit	Site Audit	4	January 2024

Refer to **APPENDIX C: Details of Audit Plan** for the Annual Surveillance Audit 04– Year (SVA-04)

Note: Note: The actual date of the Re-certification audit will be discussed and decided 3 months prior to the month of planned audit.



MSPO SURVEILLANCE CERTIFICATION REPORT 04 [Year 05] 2023

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Standard: MS 2530-3:2013

On Site Audit

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10.0 OFFICIAL SIGN-OFF

10.1 ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY & CONFIRMATION OF AUDIT FINDINGS

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.

Signed for & on Behalf of LPP Sdn Bhd:

Mr. Darren Ting Lik Cherng

Estate Manager

Date : 21 04 2023

10.2 LEAD AUDITOR: CONCLUSION & RECOMMENDATION

Based on the Findings/Action taken by Auditee/Closures above, Lubok Palaie Plantation Sdn Bhd had been able to demonstrate generally its continual compliance to and with requirements of MSPO MS2530-3:2013 Standard. Therefore, it is recommended that **Lubok Palaie Plantation Sdn Bhd's Certification under the Standard MSPO MS2530-3:2013 be maintained.**

Signed for & on Behalf of BQAS:

Dominic Retan Giah

Lead Auditor

Date : 21 04 2023

10.3 TECHNICAL REVIEWER: STATEMENT & CONFIRMATION

Review Statement

I/the undersigned, being the Technical Reviewer, confirm that I have examined thoroughly all contents of the Report in its' entirety.

I confirm that, to the best of my knowledge the information and conclusions included in this report have been prepared in compliance with the Standards requirements; and done in good faith and that the Lead Auditor recommendations had been based upon this information.

I, hereby confirm that, **Lubok Palaie Plantation Sdn Bhd's Certification under the Standard MSPO2530-3:2013 be continued.**

Signature

**Name : Patrick Sibat
Sujang**

Date: 27 May 2023



MSPO SURVEILLANCE CERTIFICATION REPORT 04 [Year 05] 2023

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Report Date: 21/04/2023

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.

APPENDIX



MSPO SURVEILLANCE CERTIFICATION REPORT 04 [Year 05] 2023

BQAS CERTIFICATION [M] SDN BHD [1179994-X]
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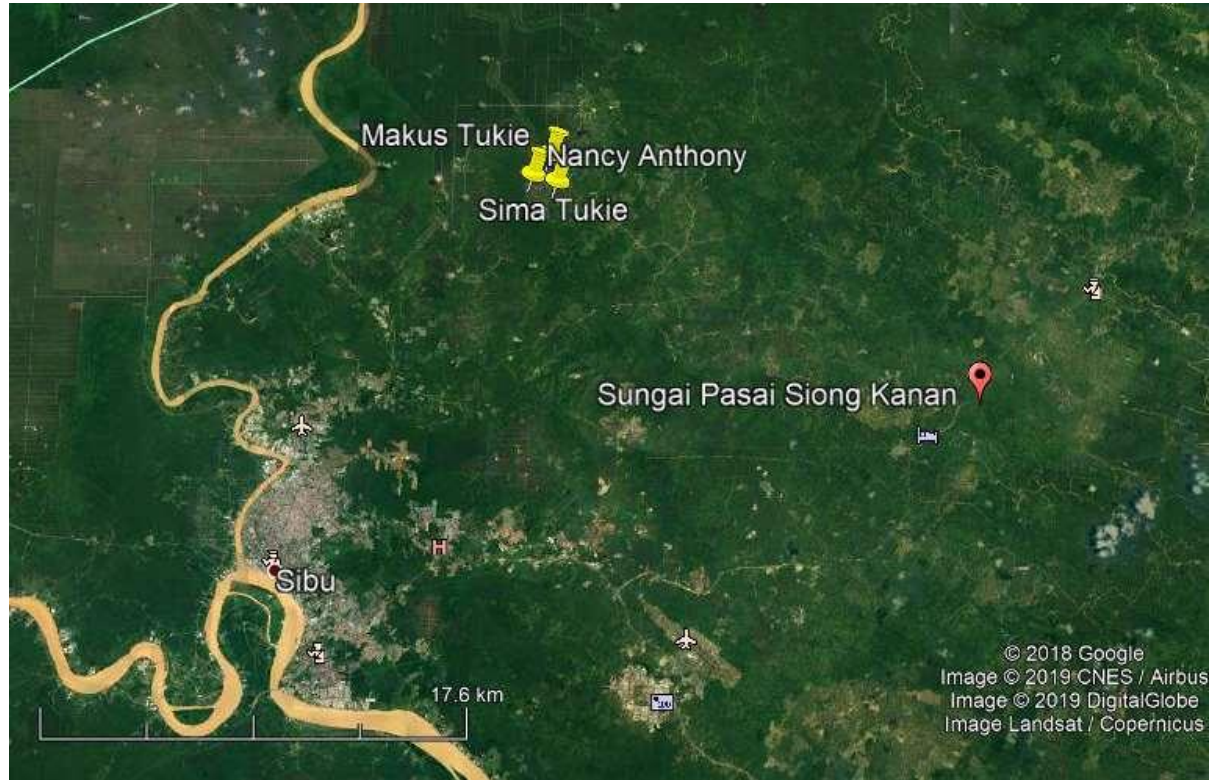
Lubok Palaie Plantation Sdn Bhd(1012799-A)
Ref No: BQ/LPPSB/SVA04/04/23

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Appendix A1: Google Map for the Lubok Plantations Sdn Bhd Estate Pasai Siong, Sibul, Sarawak



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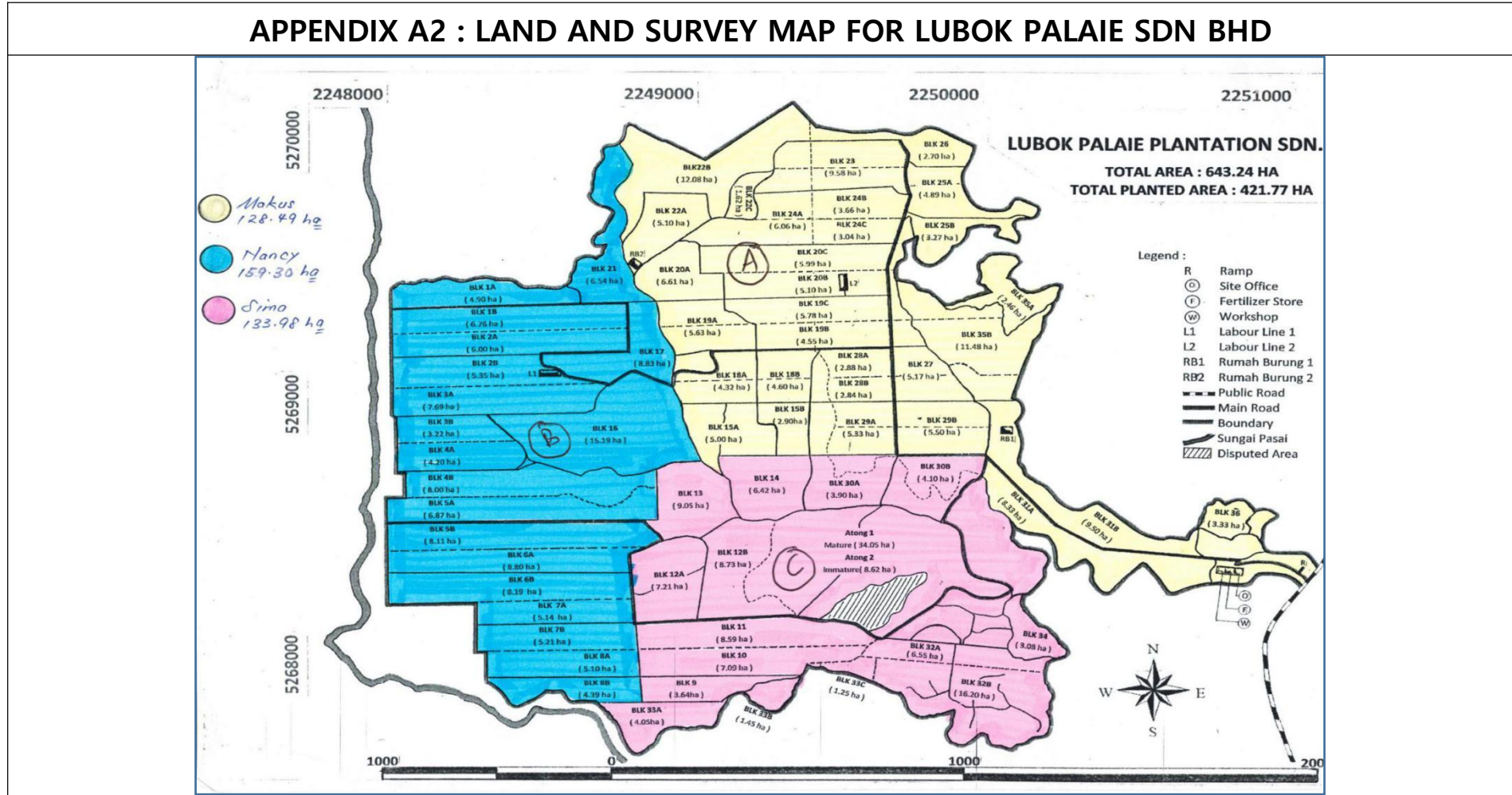
Lubok Palaie Plantation Sdn Bhd(1012799-A)
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APPENDIX A2 : LAND AND SURVEY MAP FOR LUBOK PALAIE SDN BHD





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APPENDIX B SUMMARY OF FINDINGS - SVA 03 CERTIFICATION AUDIT

Table: B Summary of Findings - Surveillance Certification Audit 03 [Year 4]

Principles	P1	P2	P3	P4	P5	P6	Total
No of OFI: Opportunity for Improvement	0	1	0	1	0	0	2
No of NC: Major	0	0	0	0	0	0	0
No of NC: Minor	0	0	0	0	1	0	1
Total	0	1	0	1	0	0	3

The SVA 03 Findings - The Minor NC and the two OFIs were closed on the 14th June 2022.

APPENDIX C: Details of Audit Plan for the Annual Surveillance Audit – Year 5 (SVA-04)

BQAS Certification (M) Sdn Bhd

Company No: 1179994-X
MSPO Certification Services

CONFIDENTIAL



Audit Plan

1. INFORMATION		
	Version Date: March 16, 2023	Ref No:
Co Name/No	Lubok Palaie Plantation Sdn Bhd (1012799-A)	
Address	No. 171C, Ground Floor, Kampung Nyabor, 96000 Sibul, Sarawak	
Audit Sites	Lubok Palaie Plantation Sdn Bhd	
Address	Lot 3541, Jalan Pasai Siong, 96000 Sibul, 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"/> SURVEILLANCE AUDIT 4	
Audit team	Name:	Role
	Dominic Retan Giah	Lead Auditor
	Duke Ladin Sebang	Auditor



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On Site Audit

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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: 19/04/2023	To: 21/04/2023
Audit criteria	Principle 1 to Principle 7 Number of nonconformity reported in previous audit: <ul style="list-style-type: none"> • 1 X NC minor • 2 X OFI 	

SURVEILLANCE AUDIT	AUDIT OBJECTIVES
-	Changes to the certified client and its management system
-	Verification continuous management system implementation
-	Review of effectiveness of measures arising from the previous audit (if applicable)
-	Confirmation of fulfillment of certification requirements
-	Enquiries on aspects of certification (complaints)
-	Review of any client's statements with respect to its certified operations (e.g. promotional material, website, use of BQAS logos and marks, use of the certificate)
-	Customer specific requirements



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Standard: MS 2530-3:2013

On Site Audit

Report Date: 21/04/2023

AUDIT AGENDA

Day 1: 19th April 2023 (Wednesday) – Plantation Office / Sites within the Plantation

Time	Subject; process	Reference	Unit; department	Participants	Auditor(s)
1430	Opening meeting		Estate management	Management representative, supervisors	DRG, DLS
1500	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 	<u>MS 2530-3:2013</u> Principle 4 Principle 5 Principle 6 Principle 7	Estate stores, maintenance workshop, field operations	Management representative, field personnel	DRG, DLS
1830	End of field visit				

Day 2: 20th April 2023 (Thursday) – Plantation Office

0800	Management commitment & responsibility <ul style="list-style-type: none"> • MSPO Policy • Internal audit • Management review • Continual improvement Transparency <ul style="list-style-type: none"> • Transparency • Communication & consultation • Traceability 	<u>MS 2530-3:2013</u> Principle 1 <u>MS 2530-3:2013</u> Principle 2	Estate management	Management representative	DRG DRG
0800	Environment, natural resources, biodiversity and ecosystem services <ul style="list-style-type: none"> • Environmental management plan • Efficiency of energy use • Waste management and disposal • Reduction of pollution and emission 	<u>MS 2530-3:2013</u> Principle 5			DLS
1200	Lunch break				
1300	Compliance to legal requirements <ul style="list-style-type: none"> • Regulatory requirements • Land use rights 	<u>MS 2530-3:2013</u> Principle 3	Estate management	Management representative	DRG



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	<ul style="list-style-type: none"> Customary rights <p>Social responsibility, Health & Safety</p> <ul style="list-style-type: none"> Social impact assessment Complaints & grievances Commitment to contribute to local sustainable 	<u>MS 2530-3:2013</u> Principle 4			
1300	<p>Environment, natural resources, biodiversity and ecosystem services</p> <p>– continued</p> <ul style="list-style-type: none"> Natural water resources Status of rare, threatened or endangered species and high biodiversity value areas Zero burning practices 	<u>MS 2530-3:2013</u> Principle 5	Estate management	Management representative	DLS
1700	End of Audit Day 2				

Day 3: 21st April 2023 (Friday) – Plantation Office

Time	Subject; process	Reference	Unit; department	Participants	Auditor(s)
0800	<p>Social responsibility, Health & Safety</p> <ul style="list-style-type: none"> Employees safety & health Employment conditions Training & competency 	<u>MS 2530-3:2013</u> Principle 5	Estate management	Management representative	DRG
0800	<p>Best Practices</p> <ul style="list-style-type: none"> Site management Economic and financial viability plan Transparent and fair price dealing Contractor 	<u>MS 2530-3:2013</u> Principle 6	Estate management	Management representative	DLS
0900	<p>Principle 7 0 - if applicable</p> <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 	<u>MS 2530-3:2013</u> Principle 7			DRG, DLS
1000	Review of outstanding issues from previous Surveillance 03 Audit (if any)		Estate management	Management representative	DRG, DLS
1100	Compilation of findings				Auditors only
1130	Closing Meeting		Estate management	Management representative, supervisors	DRG,
1200	Lunch break - End of Audit Day 3				



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Standard: MS 2530-3:2013

On Site Audit

Report Date: 21/04/2023

APPENDIX D : LIST OF ABBREVIATIONS

CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
CU	BQAS
BQAS	BQAS Certification [M] Sdn Bhd
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