



MSPO SURVEILLANCE CERTIFICATION REPORT [YEAR 01] 2021

SYARIKAT ILAM

[No 111/91]

Main Office Address:

No 27, JALAN REPOK, 96100, SARIKEI, SARAWAK.

Site Address:

Oil Palm Mini Estate, Sg Paoh, 96100, Sarikei, Sarawak



BQAS Certification [M] Sdn Bhd

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

Tel: 082 572 043

Email: bqascertification@gmail.com

Website: www.bqas.com.my

Accreditation No: ACB MSPO CB15



MSPO SURVEILLANCE CERTIFICATION REPORT Year 01: 2021

SYARIKAT ILAM [No 111/91]

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

Ref No: : BQ/SI/SVA01/06/21

Standard: MS 2530-3:2013

Remote Audit

Report Date: 30 08 2021

CERTIFIED ENTITY

MSPO Standards	<input checked="" type="checkbox"/> MS2530-3:2013 General Principles for Palm Oil Plantations & Organized Smallholders
Type of Certification:	<input checked="" type="checkbox"/> Individual
Project Ref No:	BQ/SI/SVA01/06/21
MPOB License No:	5510 7600 2000
MSPO Certificate No:	BQAS 012
MSPO Certificate Validity:	15 10 2019 to 14 10 2024
HQ Office Address:	No 27, JALAN REPOK, 96100, SARIKEI, SARAWAK.
Site Address:	Oil Palm Mini Estate, Sg Paoh, 96100, Sarikei, Sarawak
Contact Person / Job Title:	Mr. Wong Ling Tung Director
Telephone / Mobile:	084 656 608 019 819 3255
Email / Website:	wildanwong@yahoo.co.uk
Contact Person / Job Title:	Puan Ilam binti Iman Managing Director
Telephone / Mobile:	084 655 088
Email / Website:	

CERTIFICATION BODY

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

Office Address:	Lot 7823, Sublot 6, 2n Floor, Block A, Kings' Center, Simpang Tiga, 93350, Kuching Sarawak.
Contact Person / Job Title:	Managing Director
Telephone / Mobile:	+6 082 572043
Lead Auditor:	Wilfred S Landong
Technical Reviewer:	Maxwell S Landong

Disclaimer:

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**EXECUTIVE SUMMARY**

SYARIKAT ILAM [SI] main office is located at **No 27, JALAN REPOK, 96100, SARIKEI, SARAWAK**. The Plantation site is located at Geo-coordinates **N02°01.59.1' E111°26.37.3'** with its' address at **Oil Palm Mini Estate, Sg Paoh, 96100, Sarikei, Sarawak**; approximately 30 kilometers from Sarikei Town.

Established in **2003**, the Plantation has a **total certified area of 233.56 hectares** of lowland terrain with peat & sandy loam type soil; **Total planted area 220.00 hectares** and 13.56 hectares is reserved land and riparian zones [mainly peat area]. Plantation lands: 153.84 ha are owned by shareholders/Directors of Syarikat Ilam; 79.72 ha are rented from local landowners with 25 years tenure.

This is a **Surveillance [Remote] Audit [Year 1]**, 2nd year of certification to assess performance & maintenance of the management system & continued certification of **SYARIKAT ILAM** under the Standard MSPO2530-3:2013 General Principles for Plantations & Organized Smallholders & scope is **Individual Certification**.

This Audit which was scheduled earlier to be conducted onsite in October 2020 was forcibly delayed a few times due to compliance requirements of COVID 19 MCO [movement control order] enforced by government authorities of Sarawak & Malaysia. Additionally, the plantation also had undergone a period of inactivity of operations in compliance to requirements of the authorities. Remote Audits options were assessed since; however, then it was rated as **high risk**; hence, the plan was shelved.

Upon various and continued communications between CB and **SYARIKAT ILAM**, and further reassessment, the planned Onsite Audit was changed to Remote Audit to ensure regulatory compliances to national COVID 19 Pandemic MCO [movement control order] and regulations enforced by the SDMC [Sarawak Disaster Management Committee].

Guidance documents for this Remote Audit is MPOCC Version 3 Updated Circular [22 March 2021]

Guidance on remote audits due to Covid 19 Pandemic Restrictions.

Risk Assessment was conducted and it was determined prior to conducting the audit that **SYARIKAT ILAM** is categorized as **low to medium risk entity** and qualify to be audited remotely.

ICT tools and audit medias in use during this Audit include zoom meetings, google drive for uploading documents, emails, whatsapp chat group for Auditors & Auditees [clients] personnel, postings of realtime photographs evidence and other relevant virtual communication tools etc.

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



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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.

The following are pertinent information on **SYARIKAT ILAM**:

No of Employees	<ul style="list-style-type: none">• 18 employees:
MPOB License No / Expiry date	<ul style="list-style-type: none">• No: 5510 7600 2000; Expiry: 30 06 2022
Date of Establishment	<ul style="list-style-type: none">• 2003
Certified Area	<ul style="list-style-type: none">• 233.56 hectares
FFB Actual Production Volume 2020	<ul style="list-style-type: none">• 5,761.66 MT
FFB Estimated Production Volume 2021	<ul style="list-style-type: none">• 5,800.00 MT

The Surveillance Audit was conducted on 23 - 24 06 2021; 2 Auditor; 4 mandays.

The purpose of this Audit is to evaluate the implementation, including effectiveness, and continuous compliance to MSPO requirements of **SYARIKAT ILAM** management systems.

Assessments were done on management system documentation & compliance, estates facilities and palm oil production activities & operations. Information & data were systematically gathered & documented from online interviews, realtime photos as evidence & review of documentations and records.

There was only 1 finding during this Audit; classified as OFI [opportunity for improvements] under Criterion: 4.4.1 Social Impact Assessment. Corrective Action reports on these findings are raised on 25 06 2021 and closed out on 15 08 2021.

In this Audit, the Auditors also determined that actions to be taken on findings in initial certification audit had been implemented satisfactorily and in compliance with requirements of the Standards.

Estate employees are remunerated in compliance with Employment Act & minimum wage regulations; and living & housing conditions in the staff housing and facilities continue to comply with standard requirements of health & safety regulations & the relevant Housing Act.

Available amenities in **SYARIKAT ILAM** include treated water, electricity, telecommunication services and waste disposal services.

SYARIKAT ILAM management systems had complied & conformed to MSPO Certification standards, conditions & requirements.

Conclusively, the Lead Auditor therefore recommended that **SYARIKAT ILAM** certification under MSPO Standards MS2530-3:2013 Part 3 – General Principles for Oil Palm Plantations & Organized Smallholders to be continued and maintained.

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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 [Year 1]
		<input type="checkbox"/>	Re-certification Audit
1.2.	Scope of MSPO Certification	<input checked="" type="checkbox"/>	Production of Sustainable Fresh fruit Bunch from:
			Total Planted Areas Total Certified Areas
	SYARIKAT ILAM		220.00 hectares 233.56 hectares
1.3.	MSPO Standards	<input checked="" type="checkbox"/>	PART 3: MS2530-3:2013

2.0. INFORMATION: CERTIFIED ENTITY

Company Name & Reg.	SYARIKAT ILAM - 111/91		
Main Address:	N0. 27 Jalan Repok, 96100, Sarikei, Sarawak		
Site Name:	Syarikat Ilam		
Primary Function:	<input checked="" type="checkbox"/> Plantation /Organized Smallholders		
Site Address:	Oil Palm Estate, Sg. Paoh, Sarikei, Sarawak		
Management Contact Details			
1.	Name: Wong Ling Tung	Job Title: Director	
	Mobile: 0198193255	Tel: 084656608	Email: wildan.wong@yahoo.co.uk
2.	Name: Ilam Binti Iman	Job Title: Managing Director	
Headcount:	Local: 7	General Workers /TKI: 11	Total: 18
MS 2530-3:2013 General Principles for Plantations & Organized Smallholders			
MPOB License No: 551076002000	Expiry Date:30.06.2022		
Scope of Activity: Menjual dan Mengalih FFB			
Date of Establishment: 2003	Geo-Coordinates: N 2 ^o 01.59.1' E 111 ^o 26.37.3		
Certified Area: 233.56 ha	Planted Area:220 ha		
FFB Production (actual) 2020: 5,761.66MT	FFB Production (estimate) 2021: 5,800MT		
Sources of FFB: Own Estate	Main FFB purchaser: Manis Oil Mill Sdn. Bhd.		
No of Planting Blocks: 14	No of Palm trees: 29,085		
Palm Species: Golden Hope 500	Age Range of Palm Trees: 10 - 16 years		
Topography: Gently undulating	Soil Type: peat, sandy loam		
Land Status: Ownership:	<input checked="" type="checkbox"/> Rented -79.72 ha	<input checked="" type="checkbox"/> Own Land -153.84 ha	
Validity/Date of Certification:	15.10.2019 to 14.10.2024		



3.0. ASSESSMENT METHODOLOGY

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

Information gathering Data collection	<ul style="list-style-type: none"> ICT tools and audit medias in use during this Audit include zoom meetings, google drive for uploading documents, emails, whatsapp chat group for Auditors & Auditees [clients] personnel, postings of realtime photographs evidence and other relevant virtual communication tools etc.
Assessment method	<p>Paper</p> <ul style="list-style-type: none"> Assessing past implementations from records, reports of the management system <p>Practice</p> <ul style="list-style-type: none"> Assessing current implementation from evidence collection on current practices <p>People</p> <ul style="list-style-type: none"> Assessing future maintenance from interviewing online the auditee personnel on understanding & assessing competencies.

Surveillance Audit		Audit Findings Classification	
Term	Meaning	Description	
YES	Compliance	<ul style="list-style-type: none"> Fulfilled requirement of audited standard 	
OFI	Opportunity for improvements	<ul style="list-style-type: none"> Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization 	
NO (minor NC)	Minor non conformity	<ul style="list-style-type: none"> Non-compliance to standard requirements or company's SOP; or are issues that when combined, jeopardized the functioning of the system 	
NO (major NC)	Major non conformity	<ul style="list-style-type: none"> Demonstrate absence or total breakdown of system to meet standard requirement, or a number of minor NC against a clause of standard requirements / at a particular area of last assessment that are not effectively addressed will be classified as major NC. 	



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 vide Remote Audit. BQAS had assessed that surveillance audit 01 of SYAIKAT ILAM is classified as low to medium risk.

4.1. AUDIT TEAM

Assessment Year	Name	Role
Surveillance Year 01	Wilfred S Landong	Lead Auditor
	Patrick Sibat	Auditor

4.2. AUDIT PLAN

4.2.1. AUDIT OBJECTIVES

Surveillance Audit Year 01

- Changes to the certified client and its management system
- Verification of 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 (promotional material, website, use of BQAS logos and marks, use of the certificate)
- Customer specific requirements

4.2.2. ASSESSMENT SITES / PROGRAMS / PARAMETERS

MS2530-3:2013	General Principles for Plantations & Organized Smallholders
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4.2.2.1. Assessment Sites

Remote Assessments were performed on:

- Documentations & records
- Estate – field sites / activities
- Estate – processes, stores, waste & water management, workshop and related facilities



- Staff facilities – housing, amenities etc.

4.2.2.2. Assessment Program

Date: 23 - 24 06 21

No of Auditors: 2

No of Mandays: 4

Day 1

- Opening Meeting
- Review Certification Audit Report Year 01
- Documentation Audit / Record Review
- Estates – facilities review (chemical, schedule waste stores, workshop, etc.)

Day 2

- FFB evacuation process
- Assessment/review of staff/workers housing & living conditions, facilities & amenities, domestic waste treatment etc.
- Documentation Audit continued
- Closing meeting
- Presentation of Audit Checklist / Report

4.2.2.3. 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
- Infrastructure / roads & drainage / natural water management
- Continuous improvement plan & implementation
- Implementation of Best practices
- Implementation of environmental management

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5.0. SURVEILLANCE ASSESSMENT**5.1. AUDIT REPORT**

Standard(s):	<input type="checkbox"/> MS 2530-1	<input type="checkbox"/> MS 2530-2	<input checked="" type="checkbox"/> MS 2530-3
Other Standard and/or Edition:	Nil		

INFORMATION:	CERTIFICATION BODY	
Name:	BQAS Certification [M] Sdn Bhd [1179994-x]	
CB No:	ACB MSPO 15	
Address:	Lot 7823, Sublot 6, 2 nd Floor, Block A, Kings' Centre, Simpang Tiga, 93350, Kuching, Sarawak.	
Contact:	Tel: +6 082 572 043	
	Website: www.bqas.com.my	
Surveillance Audit Date:	23 - 25 06 2021	Audit Duration: 3 man-days
BQAS Audit Team:	Name	Role in the Audit
	Wilfred S Landong	Lead Auditor
	Patrick Sibat	Auditor

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	Sighted - for the implementation of MSPO, there are well established MSPO Policy including other key policies such as Environmental, Good Social Practices, Sexual Harassment which were signed by MD dated 01.04.2019.
4.1.1.2	The policy shall also emphasize commitment to continual improvement.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Verified - the policy also emphasizes commitment to continual improvement, and this is clearly stated in the Environmental Policy. Ref: SILAM/PLC/04/19-08 dated 01.04.2019.

Criterion 4.1.2: Internal audit



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Indicator	Requirement	Compliance	Findings
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted-Internal Audit Document Ref. SILAM/MSPO/1.2; IA for 2019 was conducted on 05.03.2019 using GAP analysis to determine the readiness of the Co. for MSPO Certification. Latest IA was conducted on 01.09.2020 taking into account actions taken based on previous IA report.
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	Sighted - there is IA procedures (rev 01), Ref. SI/MSPO/SOP/003 dated 02.03.2019. Audit results are documented including root causes of the NCs. Informed that there are on-going activities for corrective actions and improvements.
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	Sighted - management review meeting Minutes on 26.04.2019 stated that IA report dated 02.03.2019 was presented to the management for review.
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	Sighted - two management reviews were conducted on 21.03.2019 and on 26.04.2019 to evaluate the implementation of MSPO management System. Both management reviews were chaired by the MD and attended by the staffs of the Co.
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	Sighted - Doc SILAM/MSPO/1.4 dated 15.04.2019 which documents continual improvement plan for: - water quality management; - soil erosion & pollution; - Scheduled waste Management; - Chemical Management; -Air Quality Management; - Flora & fauna Biodiversity;



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			- Recycling procedures; Store management
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted - Doc SILAM/BMP/04/2019 dated 23.02.2019 which documents a system to improve practices & adoption of new technology.</p> <p>Noted that the Co. is now using Water Quality Monitoring Kit (La Motte N0. 5870-01) to monitor & test the water quality (e.g. P & DO, turbidity); installation of camera traps are used to record fauna species present in the area.</p>
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Noted- training need analysis (TNA) was conducted on 04.04.2019 that identified 50 types of training for 2019-2021 Training Plan. Areas of training include BMP, EQ, social & legal, S&H aspects.</p> <p>Noted that the Estate manager was trained to operate the Water Quality Monitoring Kit.</p>

PRINCIPLE 2

TRANSPARENCY

Criterion 4.2.1: Transparency of information and documents relevant to MSPO requirements

Indicator	Requirement	Compliance	Findings
4.2.1.1	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	Noted - site office's Notice Board is used to display Co. policies; posters for Safe Handling of Chemicals, Zero Burning, Contractual Work rates, Illegal Rubbish Dumping, and other publicly available documents.
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	Noted - list of publicly available documents can be viewed in Folder Ref. SILAM 111/19/MSPO/Transparency /File N0. 2. The document can be obtained by filling up a Form- " Application For Information".

Criterion 4.2.2: Transparency method of communication and consultation



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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	Noted - there is SOP File Ref. SI-MSPO-SOP-002 being established on 01/05/2019; SOP is guidelines for both internal & external communication & consultation.
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	Noted- Issues involving stakeholders are handled by Co. Owner. At operational level, workers' issues are handled by Estate manager, Mr. Wong Yiik Kie, the MSPO Coordinator.
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	Sighted - List of Stakeholders is documented in the Folder Ref.: SILAM 111/19/MSPO/Social Responsibility, H&S and Employment Conditions/File NO. 4 - sub Folder SILAM/MSPO-4.1. The Form, " Application for Information" and Borang Pengesahan Penerimaan, Tindakan/Penyelesaian Rungutan & Aduan are found in sub Folder SILAM/MSPO -4.2.

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	Sighted- SOP for Traceability was established on 02.05.2019, signed by MD. Ref. SI-MSPO-SOP-001.
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	Noted - Regular inspections of Traceability System are carried out 3 times per week via the collection & compilation of records provided by the clerks.
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	Noted - Mr. Wong Ling was appointed as the Traceability PIC via his Appointment Letter dated 01.01.2019, Ref.: SILAM/MSPO/APL/1/2019.
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	Sighted - there are Harvesting Muster Chit, FFB Block Transportation Chit, Weighbridge



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		<input type="checkbox"/> NC - Major	Advice Tickets, Sale Receipts & Payment Receipts.
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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	Noted - there are examples of compliances: - Trade License, expiring on 01.09.2021 . - MPOB License NO. 551076002000 (01/07/2020 - 30/06/2021) There is the Ordinance File for documenting Local, State, National & ratified International Laws & Regulations.
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	Sighted- there is Legal Register already established to document all laws relevant to the Co. operations. Legal compliance is regularly monitored. Ref.: SILAM/LGL/REG/20-01.
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 - presently, the Co. complies with all legal requirements and are keeping itself current with new changes or amendments that are coming into force.
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	Sighted -Ms. NOOREN BT. BUJANG is being appointed on 01.01.2019 as the PIC of Legal Register responsible for monitoring compliance by the Co. and to track changes in regulatory requirements. Ref.: SILAM/MSPO/APL/2019;

Criterion 4.3.2: Land use rights

4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - total certified area is 233.56. a) Own Land =153.84 ha. b) Rented (25 yrs Tenure)=79.72 Sighted - Tenancy Agreement made on 31.12.2003 but to expire on 31.12.2026.
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			The land use rights of other users are unaffected.
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 - there is Land title and tenancy Agreement was established on 31.12.2003 but to expire on 31.12.2026.
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	Noted & verified- there is SOP to install boundary markers on the ground; the coordinates of all markers are recorded and boundary map established. Boundary markers facilitate the use of Drone to monitor any illegal trespasses (e.g. illegal hunting).
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	Noted - no history of dispute and this is confirmed by the interviews of stakeholders. Tenancy Agreement was made on 31.12.2003 but to expire on 31.12.2026 with free prior informed consent (FPIC). Sighted - payment voucher on payment of compensation.

Criterion 4.3.3: Customary rights

4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - FPIC discussions prior to signing Tenancy Agreement on 31.12.2003. NCR are well understood & not reduced. Based on record of payment vouchers, compensation was made as per Tenancy Agreement.
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	Noted - Map from L&S Department shows the extent of 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	Sighted - the outcomes of FPIC is the Tenancy Agreement made on 31.12.2003. Compensation was made as per Tenancy Agreement.

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 NC - Major**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 type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Sighted - there is some what social assessment with Ref. SILAM/MSPO/SIA/04/19-01 dated 01.04.2019. This social assessment was conducted in-house by the staff. Social activities was planned on 26.10.2020 for implementation during 2021 but could not be carried out due to covid 19 pandemic.</p> <p>Existing "SIA" document is rather piece-meal document and it needs to be improved upon. For an established oil palm plantation like that of Sykt. Ilam, Social Impact Management Plan (SIMP) is sufficient. For it to be recognised as national & international Document, SIMP should be prepared by EIA consultant registered with the Natural Resources and Environment Board (NREB), Sarawak.</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>Sighted- G&C SOP Ref.: SILAM/MSPO-4.2; Mr. Wong Ling Tung is the PIC, Ref. SILAM/MSPO/APL/2019 dated 01.01.2019.</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>Sighted - effective and timely dispute resolution methods are outlined in the SOP. To date no complaint or grievance has been lodged.</p>



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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	Sighted - G&C Form, Ref: SI/SOP19-02, was established on 02/05/2019. Available from the site office. There is also suggestion Box.
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	Noted - Awareness on ways of making complaints & grievances was carried out by conducting Meeting with the Stakeholders. One Meeting was conducted on 28.02.2019 - Ref.: SILAM/GC/02/19-01.
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted- the Management is aware of keeping the record. Todate , no C&G has been made.

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	Noted - there is CSR Policy, Ref.: SILAM/PLC/04/19-03 dated 01.04.2019. It states the commitment to contribute to local communities. Road maintenance is one CSR activity as & when road is damaged & weather permits - photos taken during road maintenance activities were sighted.
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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	Sighted - there is S&H Policy; communicated to stakeholders by ways of meeting, training and policy's display on at Site Office Notice Board.
4.4.4.2	The occupational safety and health plan shall cover the following:		The OSH Plan is comprehensive.
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	Noted - Policy is documented, Ref.: SILAM/MSPO-4.4 dated 04.01.2019; - communicated to stakeholders by ways of meeting, training and policy's



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			display on at Site Office Notice Board; action plans are implemented.
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	Sighted - There is HIRARC Document shown by Ref.: SILAM/MSPO4.4 dated 01.05.2019 showing the assessment of the risks of all operations. Document was updated as HIRARC Plan for 2020.
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	Noted - there is Training Procedures, Ref.: SILAM/MSPO/TRN/04/19-03 dated 20.04.2019 and Training Programmes, Ref. SILAM/MSPO-4.6.
C.1	All employees involved shall be adequately trained on safe working practices; and	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - Awareness & Training programme available and implemented on schedule for all workers.
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	Noted - Workers informed to observe instructions attached to all products. Workers educated enough to understand the instructions and warning signs that are posted to create awareness. Noted also PIC is sufficiently competent on S&H matters,
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	Sighted - adequate & appropriate PPEs issued to staff & workers as required by HIRARC Plan, product SDS & Regulations. Ref.: SILAM/MSPO-4.4; Ref.: SILAM/PPE/01/19 dated 01.01.2019
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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted - SOPs established to ensure safe handling & storage of chemicals. Ref: SILAM/SOP/04/19-03 dated 01.01.2019; SILAM/SOP/04/19-04 dated 01.01.2019; SILAM/SOP/19-08 dated 01.01.2019;



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	Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.		CHRA cover all chemicals assessment in use.
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	Noted - Mr. Wong Ling Tung being appointed by MD as PIC of S&H, himself being the PIC for MSPO also.
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	Noted - there are two-way communication with employees on matters affecting business & employees' concerns by way of regular OSH Committee Meeting. Sighted - Minutes of Meeting, Ref.: SILAM/OSHA/MNT04/19-02.
H.	Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - ERP SOP and communicated to employees via training, posters and signages.
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	Noted - First Aid Kits with approved contents are available in work site. Mr. Wong attended First Aid Training on 24-25. 08.2019, and he is showing some employees in administrating First Aid techniques.
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	Noted - there is SOP for recording accident, but to-date there is no accident or near-miss; the record will be reviewed regularly on quarterly basis.

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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI	Noted - there are Good Social Practices Policy being established & signed by top management, communicated to
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	harmony. The policy shall be signed by the top management and effectively communicated to the employees.	<input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	employees by displaying on Notice Board. Ref: SILAM/HR/EMP/03/19 dated 01.03.2019; SILAM/HR/IN/01/19 dated 01.01.2019.
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, color, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - Good Social Practices Policy stipulates that the Co. does not support discriminatory practices in all forms. Ref.: Equal Opportunity Policy - SILAM/PLC/04/19-01 dated 01.04.2019.
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	Noted - that all wages comply with Minimum Wage Order (Amendment 2018) dated 28.11.2018 P.U.(A) 308. Ref.: SILAM/MIN/WG/19-01 dated 01.04.2019. Sighted - Payslip of workers show compliance with Minimum Wage Order.
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	Noted - There are proper contract agreement between the management & contractors and the contractors understand they have to comply with MSPO requirements. Ref.: SILAM/CTR/AGR/19-01 dated 01.01.2019 Name of Contractor: Tiang Yong Contractor; Tax Invoice NO. 0001645 dated May 2019.
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	Sighted - Employee Register Folder. Ref.: SILAM/MSPO/STKHDR/19-01, established on 22.01.2019.

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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	Noted - Employment contract is signed by both the Employer and Employee. Ref.: SILAM/HR/IN/01/19 dated 01.01.2019 Ref.: SILAM/HR/EMP/03/19 dated 01.03.2019
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	Noted - the system is that there is a working record for each employee. Time recording cards are verified.
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - based on working record of each employee, working hours conform with legal regulation.
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	Noted - based on payslip, wages & overtime payment comply with legal requirements.
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	Noted - free medical care for incidence at work; bonus for individual given during cultural & religious occasions
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	Based on site visit, on-site living quarters are habitable with basic amenities & facilities which comply with the workers minimum housing standards.

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4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - there is Sexual Harassment & Violence Prevention Policy being displayed on Notice Board. Also there is a Complaint system established & implemented. No sexual harassment reported to date. Ref.: SILAM/PLC/04/19-04 dated 01.04.2019.
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with 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 checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - in its Good Social Practice Policy the management is committed to allow employees freedom to join trade union in accordance with applicable laws such as ILO Convention 87 & 98. Ref.: SILAM/PLC/04/19-02(1) dated 01.04.2019.
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	Noted - Child Labour Policy has been established and implemented; Ref.: Good Social Practice Policy Ref.: SILAM/PLC/04/19-02(1) dated 01.04.2019. Informed that Co. never employs young person & field investigation did not see any child labourer either.

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	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - there are Training Programmes established for all employees. Ref.: SILAM/MSPO-4.6 Ref.: SILAM/MSPO/TRN/04/19 dated 21.04.2019
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	documentation, including records of training shall be kept.		
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	Noted - there is training need analysis (TNA) based on job description of the workers; outcome of TNA is used to design training programmes. Ref.: SILAM/TRN/ALS/19-01 dated 01.01.2019.
4.4.6.3	A continuous training program should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - Training programmes are being planned, implemented and list of workers attending the training is documented. Ref.: SILAM/TRN/SCDL/19-01 dated 01.01.2019.

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	Noted - Environment Policy being established. Ref. SILAM 111/19 MSPO/Environment, Natural Resources, Biodiversity & Ecosystem/ File N0.5: a) Ref. SILAM/MSPO/RIP.PLAN/19-01: Aspects -Impacts Analysis and Mitigation Plan; b) Ref. SILAM/PLC/04/19-08: Environmental Policy c) Ref. SILAM/MSPO/RIP/PLN/04/19-01: Riparian Zone d) Ref. SI-MSPO-EMS-19-002: Managingn Soil POLLution e) Ref. SI-MSPO-EMS-19-001: Managing Air Pollution



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			f) Ref. SI-MSPO-EMS-19-03: Managing Water Pollution.
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	Noted-Environmental Policy was established on 01.04.2019 and signed by the MD. Policy statement include objectives. Ref. SILAM/PLC/04/19-08
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	Noted - Aspects-Impacts Analysis conducted & documented. Ref. SILAM/MSPO/RIP.PLAN/04/19-01
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	Noted - Environmental Improvement Plan is based on Aspect-Impacts Analysis results, which are used produce action plans: a) Ref. SILAM/MSPO/RIP/PLN/04/19-01: Riparian Zone b) Ref. SI-MSPO-EMS-19-002: Managing Soil Pollution c) Ref. SI-MSPO-EMS-19-001: Managing Air Pollution d) Ref. SI-MSPO-EMS-19-03: Managing Water Pollution.
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	Noted - there is a Continual Improvement Plan titled " Environmental Plan 2019. Ref.: SILAM/MSPO-1.4/ Continual Improvement.
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	Noted - There is a training schedule for 2019-2021 for the executive staff 7 workers. Training courses include: -Environmental Policy -Environmental awareness programmes -Domestic waste management -Scheduled waste management & storage

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			- No Open Burning - Riparian Buffer Zone - HCV awareness - Reduce, Reduce & Recycle.
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	Noted - Few environmental meetings were conducted in 2020. Due to Covid 19 no meeting was conducted in 2021. All environmental meetings are recorded and documented. Ref. SILAM/MSPO-6.1/Best Management Practice.

Criterion 4.5.2: Efficiency of energy use and use of renewable energy

4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - fuel consumption recording & monitoring on monthly basis commenced in January 2019. Ref. SILAM/MSPO-5.2/Efficient Energy Use No Electricity bill available because Solar Panel (RE) is used for on-site buildings.
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - the fuel /diesel usage for 2019 was totaled 18,924 liters while for 2020, diesel consumption increased to 20,798 liters. For 2021 (January -May) the volume was 9,202 liters. Ref.: Syarikat Ilam 111/91 - Diesel Consumption Records.
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	Noted - Solar panel is used to supply electricity for the on-site building.

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	Noted- Waste products and sources of pollution are well-documented. Ref.: SILAM/WI/ENV/05.
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		<input type="checkbox"/> NC - Major	
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - there is a Waste Management Plan(WsMP) as described below.
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	Noted - Sources waste and pollution are identified & monitored. Ref.: SILAM/WI/EN/05 Scheduled Waste management & procedures are also incorporated in the WsMP. Ref.: SILAM/EAIA/19-01 and SILAM/PRC/WST/19-01 In addition, On-site logbook titled " Disposal of Domestic Waste Record" shows that domestic wastes are disposed at Sarikei Municipal Council dumping site at Jalan Kin San.
B.	Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - there is SOP for waste on-site management; Ref. SILAM/PRC/WST/19-01. Noted - Palm fronds are used as mulches, beneficial plants are conserved to minimise use of weedicides.
4.5.3.3	The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - SOP established for chemical handling & mixing- Ref.SILAM/SOP/04/19-03; SOP for waste storage & disposal could be viewed in File Ref. SILAM/PRC/WST/19-01.
4.5.3.4	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Informed - the procedures are that all empty pesticides containers are washed, punctured and transported to G-Planters Sdn. Bhd. to be recycled.



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	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.		On-site visit did not see any empty pesticide container.
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - On-site Disposal of Waste is documented. The record shows that the lorry of Sykt Ilam disposes the wastes every Wednesday and Friday at licensed dump site at Jalan Kin San, Sarikei.

Criterion 4.5.4: Reduction of pollution and emission

4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted -Procedures for managing & assessing polluting activities are incorporated in the Files such as SI-MSPO-EMS-19-002 : Soil Pollution; SI-MSPO-EMS-19-001: Air Pollution SI_MSPO-EMS-19-03 : Water Pollution.																																																																								
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>Noted - existing action plans to reduce pollutants & emission as mentioned above. Ref.: SILAM/MSPO/RIP.PLAN/04/19-01</p> <p>FYL: can improved & reformat action plan based on 8 Types of Aspects. Use a more systematic methods of Aspects-Impacts Analysis as explained below:</p> <table border="0"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td> </tr> <tr> <td>1.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>2.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>3.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>4.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>5.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>6.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>7.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>8.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table> <p>1-Types of Aspect; 2 Activity/product; 3-Aspects; 4-Impacts, 5-severity; 6-probability; 7-Rating; 8 -action plans.</p>	1	2	3	4	5	6	7	8	1.								2.								3.								4.								5.								6.								7.								8.							
1	2	3	4	5	6	7	8																																																																				
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			Types of Aspects: Emission to air, Release to Water; Releases to Land; Use of Materials; Use of Energy; Energy Emitted; Solid wastes; Hazardous wastes;
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	Noted - there is Water Management Plan (WMP) established by Estate Manager on 05.03.2019: a) Ref.: SI-MSPO-EMS-19-003 on Water Pollution; b) Ref.: SILAM/Wi/ENV/03 on Water Quality Control c) Ref.: SILAM/WTR/MNGT/19-02 on Rain water harvesting; Regular water quality monitoring is conducted using Water Quality Monitoring Kit, Ref; SILAM/WTR/MTR/19-01.
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	Noted - source of water is JBALB, Sarikei; Previous water bills show water usage between 121,000 to 300,000 liters per month.
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	Noted - Riparian Zones are well established to act as natural filters of run-off prior discharging into the natural waterways. -There are networks of in-field drains that allows siltation process to occur as the run-off water flows along the drains. -Regular water quality monitoring (WQM) is practiced using WQM Kit.
C	Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - there is rainwater management programme, Ref. SILAM/WTR/MNGT/19-02 - water from the reservoir is piped into the house (HDPE pipes); - Treated water supply is piped into the on-site building using interconnected



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			HDPE pipes with taps to greatly minimise leakage.
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	Noted- the riparian zone along the natural waterways /stream passing through the estate is well established from natural vegetative growth. Signage was erected to facilitate protection & conservation efforts.
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	Noted- the riparian zone along the natural waterways /stream passing through the estate is well established from natural vegetative growth. Signage was erected to facilitate protection & conservation efforts. Riparian Zone Restoration Plan is being documented and approved by the Estate manager.
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	Noted - no bore well is used in the estate.
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	Noted - no bunds, weirs & dam constructed in the estate.
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	Noted - there is a 200-liter capacity reservoir installed behind the workers quarters to harvest rainwater for washing.

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:		Noted - Wildlife Inventory Logbook and conservation is being established.
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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	<p>Noted - the workers reported sighting of RTE species such as Pangolin and giant squirrels <i>ratufa affinis</i>.</p> <p>Inventories of sighting of RTE fauna will be continually updated.</p> <p>Such sightings indicate the estate & surrounding area might be frequented by some RTE species.</p>
B	Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Noted - species with conservation status such as pangolin and giant squirrel have been sighted in the estate & surrounding areas. Inventory of sighting will be regularly updated.</p> <p>Riparian Zone are well established to conserve habitat for fauna including RTE species.</p>
4.5.6.2.	If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	<p>Noted - appropriate measures are in place as described below.</p>
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	<p>Noted - that about 10 ha. of secondary forest located inside the estate is being designated as wildlife conservation areas. Posters of Sarawak endangered species are displayed at site office Notice Board to create awareness on the protection & conservation of RTE species.</p>
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	<p>Noted - there are signages installed in the to give notices on the prohibition of hunting and fishing by the public at the estate, which is a private property.</p>
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	<p>Noted - there is Riparian Zone Restoration Plan, Ref. SILAM/MSPO/RIP/PLN/04/19-01 to serve as guideline to comply with indicator 1;</p>



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			A 10-ha. wildlife conservation area is also maintained in the estate.
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	Noted - there is Zero Burning Policy, Ref.: SILAM/PLC/04/09-06 established on 01.04.2019 and signed by the MD. Mechanical clearing was used and there was no burning of biomass.
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	Noted - based on information from the Estate MSPO Coordinator, there is no record of previous crops being infected by any disease.
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	Noted - Estate commits to Zero Burning Policy. Site inspection also did not see any evidence of burning.
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	Noted - Noted that during site inspection, some palm trees that were felled were chopped into pieces and left to biodegrade in-situ.

PRINCIPLE 6 BEST PRACTICES

Criterion 4.6.1: Site management

Indicator	Requirement	Compliance	Findings
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - there is a Manual on Best Management Practices being documented. Ref. SILAM/MSPO/6.1 dated 0404.2019. SOPs for site management are also documented; Ref.: SILAM/BMP/04/1901-07 dated 04.04.2019. This covers all essential operations in the estate such as Weeding,



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			Manuring, Harvesting, road maintenance, P&D control, spraying, 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	Noted - cover crops are maintained on sloping land and palm fronds are stacked in-between the planting rows to reduce run-off that could cause siltation of the drains and waterways as well as contamination of ground water.
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	Noted - visual field identification system include: a)the field is subdivided into 14 planting blocks with its own NO., size & NO.of palm trees stated; b) Boundary markers were planted along the perimeter; c) Riparian Zones were marked with signage.
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	Noted - Business Management Plan (BMP) being documented & to comply with MSPO requirements. Ref.: SILAM/MSPO/MP/6 dated 23.03.2019. BMP shows: a) Profit & Loss (actual & projected 2019/2020 & 2020/2021); b) FFB Production (actual & projection); c) OPEX/CAPEX
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	Noted - the estate is fully planted and 10-16 years old. No planting program is required.
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	Noted - planting materials are Golden Hope 500;



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		<input type="checkbox"/> NC - Major	Informed that FFB weighs between 30-32 kg per bunch.																					
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	Noted - BMP shows the followings: <table border="1"> <tr> <td>Items</td> <td>2019</td> <td>2020</td> </tr> <tr> <td>Planted Area</td> <td>220 ha</td> <td>220 ha</td> </tr> <tr> <td>Projected YPH</td> <td>28mt/ha</td> <td>29mt/ha</td> </tr> <tr> <td>Age-yrs</td> <td>10 -16</td> <td>11-17</td> </tr> <tr> <td>FFB</td> <td>5878 mt</td> <td>5762mt</td> </tr> <tr> <td>Production Yield /ha</td> <td>26.7mt</td> <td>26.2</td> </tr> <tr> <td>No. Trees</td> <td>29,085</td> <td>29085</td> </tr> </table>	Items	2019	2020	Planted Area	220 ha	220 ha	Projected YPH	28mt/ha	29mt/ha	Age-yrs	10 -16	11-17	FFB	5878 mt	5762mt	Production Yield /ha	26.7mt	26.2	No. Trees	29,085	29085
Items	2019	2020																						
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FFB	5878 mt	5762mt																						
Production Yield /ha	26.7mt	26.2																						
No. Trees	29,085	29085																						
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	Noted - BMP shows that total cost was RM94.50 /mt comprising RM50/ for harvesting and RM44.50 or transport.																					
D	Price forecast	<input checked="" type="checkbox"/> Compliance <input type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Noted - the BMP used RM350/mt ffb for 2019/2020 .																					
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	Noted - Forecast Profit/Loss (before HQ cost) shown in the BMP: a) 2019: RM340,402; b) 2020: RM280,770. c) 2019: Actual net profit of RM81,305.29																					
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	Noted - Company's performance is reviewed on quarterly basis by the top management meeting; Estate Management meeting is held at least once a month to discuss site management plan implementation. Morning muster is conducted every Monday. Records of Meeting are available in BMP document.																					

Criterion 4.6.3: Transparent and fair price dealing



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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	Noted - Company documents price mechanisms as follow: a) Harvesting RM50/mt FFB b) Transport RM45.50/mt FFB c) Membaja RM0.06/palm d) Frond pruning RM0.40/tree e) Weed spraying RM25/ha f) Operating excavator RM12/hr.
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	Noted - Company enters into legally documented contract agreement when contractor is engaged to carry out estate work.

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	Noted - Company only engages contractor services to transport FFB from estate to Mill/collection center. Company briefs the contractor to follow MSPO requirements and these include paying at least legal minimum wage to his workers.
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	Noted - Contract Agreement with ffb transporter, Tiang Yong Ann, can be viewed in the Doc. Ref SILAM/AGR/TRST/01/19-01 dated 01.01.2019; T&C of Contract Agreement are legally enforceable with both parties having protection of exit clause (page 1).
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	Noted - Company extends full cooperation to MSPO Auditors to verify assessments through physical inspection.
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	Noted - Control points: a) at harvesting site - estate supervisor records & inspects load quantity; b) Security check at estate office - log book to be filled by contractor;

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			c) At Mill - transporter / Mill staff record actual FFB - weighbridge ticket Noted - these are also part of traceability procedures.
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PRINCIPLE 7 DEVELOPMENT OF NEW PLANTING - NOT APPLICABLE TO SYARIKAT ILAM

No development of new planting

5.2. SUMMARY OF FINDINGS

Table:

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

Finding No 1

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 type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted - there is some-what social assessment with Ref. SILAM/MSPO/SIA/04/19-01 dated 01.04.2019. This social assessment was conducted in-house by the staff. Social activities was planned on 26.10.2020 for implementation during 2021 but could not be carried out due to covid 19 pandemic. Existing "SIA" document is rather piece-meal document and it needs to be improved upon. For an established oil palm plantation like that of Sykt. Ilam, Social Impact Management Plan (SIMP)



MSPO SURVEILLANCE CERTIFICATION REPORT Year 01: 2021

SYARIKAT ILAM [No 111/91]

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

Ref No: : BQ/SI/SVA01/06/21


Standard: MS 2530-3:2013

Remote Audit

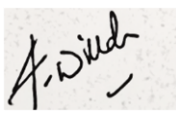
Report Date: 30 08 2021

			is sufficient. For it to be recognized as national & international Document, SIMP should be prepared by EIA consultant registered with the Natural Resources and Environment Board (NREB), Sarawak.
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5.3. AUDIT CONCLUSION

Summary Statement of Lead Auditor	Signature
<p>The purpose of this Remote Surveillance Audit is to evaluate the implementation, including effectiveness, of SYARIKAT ILAM Oil Palm management systems [OPMS] and that the requirement of the Standards MS2530-3:2013 is fulfilled.</p> <p>There was only 1 finding during this Audit classified as OFI [opportunity for improvement].</p> <p>Overall SYARIKAT ILAM had continuously maintained and conformed to the requirements of the Standards MS2530-3:2013. It is recommended that the Certification of SYARIKAT ILAM under the standard be maintained.</p>	 Wilfred S Landong Date: 25 06 2021

5.4. ACKNOWLEDGEMENT BY CERTIFIED ENTITY

Acknowledgement by Auditee	Signature
<p>This is to acknowledge and confirm the Surveillance Remote Audit [SVA01] Assessments described in this Report and the Acceptance of the Contents and Findings in the said Audit Report.</p>	 Mr Wong Ling Tung Director 27 06 2021



MSPO SURVEILLANCE CERTIFICATION REPORT Year 01: 2021

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Standard: MS 2530-3:2013

Remote Audit

Report Date: 30 08 2021

5.5. CORRECTIVE ACTION REPORTS & CLOSURE

There were 6 [six] findings in this Surveillance Audit. CAR was raised and the finding was closed out by the Lead Auditor on 15 08 2021

6.0. OFFICIAL SIGN OFF

6.1. ASSESSMENT RECOMMENDATION BY LEAD AUDITOR

Based on the Findings/Action taken by Auditee/Closures above, **SYARIKAT ILAM** had been able to demonstrate and improved on its continual compliance to and with requirements of the MSPO MS2530-3:2013 Standard: General Principles for Plantations & Organized Smallholders.

Therefore, it is recommendation of the Audit team that the Certification of **SYARIKAT ILAM** under MSPO MS2530-3:2013 Standard be maintained.

Wilfred S Landong

Date: 30 08 2021

6.2. ASSESSMENT REVIEW BY TECHNICAL REVIEWER

STATEMENT & CONFIRMATION

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, **NORMA SUMBER SDN BHD** Certification under the Standard MS2530-3:2013 be maintained.

Signed:

Maxwell S Landong

30 08 2021



7.0. CONCLUSION

7.1. CERTIFICATION: BQAS MANAGEMENT

In reference to MS 2530-3:2013, the 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.

7.2. PLAN FOR NEXT SURVEILLANCE AUDIT

SVA 02 – tentatively to be in APRIL/MAY, 2022.

8.0. ATTACHMENTS

Nil

FOOTNOTES

All audit findings are based on a sampling process, targeted towards reliable evidence for effective implementation and compliance of the management system. Where applicable findings and required corrective action were or will be agreed upon with the responsible managers or management representatives, steps have been or will be defined to resolve such non-conformity. Further business aspects may exist, positive or negative, which have not been reviewed by the audit team. It is the organization's responsibility to investigate and evaluate the potential impact and scope of findings, thus continuously ensuring full compliance to the applied standard(s).