

MSPO CERTIFICATION SUMMARY REPORT

KOPERASI PEMBANGUNAN BERSATU SANDAKAN BERHAD

RECERTIFICATION AUDIT 01

Onsite Audit Date: 04/12/2024 – 05/12/2024

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Company Name: Koperasi Pembangunan Bersatu Sandakan Berhad

Certifying Unit: Koperasi Pembangunan Bersatu Sandakan Berhad

Client Number: 92-143

Audit Type: Recertification 01

Mode of Audit: Onsite

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Abbreviations

CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
FFB	Fresh Fruit Bunch
GAP	Good Agricultural Practice
GPS	Global Positioning System
ISCC	International Sustainability & Carbon Certification
ISO	International Standard Organisation
MSPO	Malaysia Sustainable Palm Oil
NC	Non Conformity
OSH	Occupational Safety and Health
P&C	Principle and Criteria
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable Sustainable Palm Oil
RTE	Rare, Threatened and Endangered Species
SA8000	Social Accountability 8000
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
WHO	World Health Organization
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysia Palm Oil Certification Council
SDS	Safety Data Sheet

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1. INTRODUCTION

Koperasi Pembangunan Bersatu Sandakan Berhad (KPBSB) has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct a recertification audit for its oil palm estates according to MS 2530-3:2013 Part 3 General Principles for Oil Palm Plantations and Organised Smallholders.

1.1. Objective

The objective of this recertification audit is to assess the estate by an independent certification body with the aim for compliance of the standard.

1.2. Scope

The assessment is based on the documentation established by the Koperasi Pembangunan Bersatu Sandakan Berhad.

The supporting documents are provided to the audit team as well as information received by means of interviews and background investigation.

The documents and information are reviewed against the requirements and criteria based on MS 2530-3:2013 Part 3 General Principles for Oil Palm Plantations and Organised Smallholders.

TUV NORD Malaysia has employed a risk-based approach in the audit, focusing on the identification of significant risks and reliability of the assessment and reporting.

The following references are used as part of the assessment; the compliance of the requirements out of the guidelines applied was checked.

1. Malaysian Sustainable Palm Oil Part 3: General Principles for Oil Palm Plantations and Organised Smallholders audit guidance;
2. Palm Oil Supply Chain Traceability Requirements

1.3. Appointment and qualification of team members

The audit team appointed consists of one team leader and one team members. The audit team members contributed to the review of documents, the assessment of the project activity and preparation of the report.

Qualification of the Lead Auditor: Muhammad Khairul Anuar bin Azizul Hasan

Requirement	Qualifications
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or	Graduate in Plantation Industry and Management

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Requirement	Qualifications
vii) Other relevant related fields	
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	7 years working experience in oil palm plantations.
Successfully completed MPOCC endorsed lead auditor trainings	Successfully completed MS2530 series of standards for Lead Auditors
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	Qualified and appointed as Lead auditor for MS2530 scheme.
Field working experience in the palm oil sector or demonstrable equivalent	7 years working experience in oil palm plantations.
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	7 years working experience in oil palm plantations.
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Successfully completed CQI IRCA ISO 9001:2015 Lead Auditor course.
Health and safety auditing on the estate processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Successfully completed IMS ISO 45001:2018 Lead Auditor course.
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Successfully completed Basic SA 8000 training.
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Successfully completed IMS ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.
Attended High Conversation Value Assessment training	Attended and completed the HCV-HCS for producers online course.
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia and English.

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Qualification of Team Member

Requirement	Name of Assessor	Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	Ariff bin Lokman	Graduate in Plantation Industry and Management	Yes
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	Ariff bin Lokman	7 years working experience in oil palm plantations.	Yes
Successfully completed MPOCC endorsed lead auditor trainings	Ariff bin Lokman	Successfully completed MS2530 series of standards for Lead Auditors.	Yes
Carried out a minimum six (6) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Ariff bin Lokman	Qualified and appointed as lead auditor for MSPO scheme.	Yes
Field working experience in the palm oil sector or demonstrable equivalent	Ariff bin Lokman	7 years working experience in oil palm plantations.	Yes
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	Ariff bin Lokman	7 years working experience in oil palm plantations.	Yes

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Requirement	Name of Assessor	Qualification	Compliance
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Ariff bin Lokman	Successfully completed CQI IRCA ISO 9001:2015 Lead Auditor course.	Yes
Health and safety auditing of the estate processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Ariff bin Lokman	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.	Yes
Worker's welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Ariff bin Lokman	Successfully completed Basic SA 8000 training.	Yes
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Ariff bin Lokman	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.	Yes
Completed High Conversation Value assessment	Ariff bin Lokman	Attended and completed the HCV-HCS for producers online course.	Yes
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Ariff bin Lokman	Able to communicate in Bahasa Malaysia and English.	Yes

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2. METHODOLOGY

The audit approach consists of the following steps:

- Contract review;
- Appointment of team members;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Audit planning;
- Background investigation, desk review of submitted documents;
- Assessment, inspections, interviews operational personnel, workers, stakeholders, contractors; review of documentation;
- Reporting
- Resolution of non-conformance (NC) (if any)
- Draft audit reporting
- Technical review
- Peer review
- Address Peer Review Comments
- Final audit reporting
- Final approval, certification decision and issuance of certificate.

Recertification Audit 01:

The recertification audit conducted onsite on 04/12/2024 – 05/12/2024 covering the following activities but not limited to below:

Onsite:

- Background investigation
- Review of documentation established but not limited to below
 - Policies
 - Estate maps
 - Land title(s)
 - Standard Operating Procedures;
 - Work Flow Charts;
 - Management Plans;
 - Operating licenses and approvals;
 - Operating records;
 - Training records;
 - Applicable Legislation Documents

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- Onsite visit, observations and inspection of estate(s) facilities and field activities;
- Interview operation personnel and field workers for understanding of work assigned;
- Reviewed revised and updated documentation established and implemented;
- Reports established;
- Work plans established;
- Stakeholders consultation meeting;
- Review and closed out of non-conformance raised during in last audit;
- Assessment reporting;

On-site Assessment

The audit of the estate is conducted according to the MS 2530-3:2013 Part 3 General Principles for Oil Palm Plantations and Organised Smallholders.

The methodology for collection of objective evidence by means of physical or virtual site inspections, observation of tasks and processes, interview workers and operation personnel, (interviews of stakeholders, communities) review of documentation and data. Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders are taken into account in the assessment.

For this recertification audit, Koperasi Pembangunan Bersatu Sandakan Berhad has one (1) estate. Therefore, no selection required.

Name of Division	Coordinates
Mile 12	5.914081,117.972461
Mile 26	5.823133,117.801119

Non-conformance:

On the basis of the desk review, evidences presented during the audits as well as from the onsite visits non-conformance (NC) Major, Minor and Opportunity for Improvement (OFI) may be raised during the audit.

Major non-conformance shall be addressed and responded with 60 days from closing date of audit. For minor non-conformances raised and action plan to be submitted within 30 days from closing date of audit for review and acceptance. Implementation of Minor NC will be review and verify in the next audit.

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3. ORGANISATION INFORMATION

The certified estate are owned by Koperasi Pembangunan Bersatu Sandakan Berhad located at 1st floor Block C, Lot 9B, Old Slipway, Sandakan, Sabah.

The details of the estates as below:

Name of Division	Location	Coordinates
Mile 12	Batu 12, Jalan Sungai Manila, Sandakan, Sabah	5.914081,117.972461
Mile 26	Batu 26, Jalan Labuk, Sandakan, Sabah	5.823133,117.801119

3.1. Production volume

Name of Division	Area (Ha)		Projected FFB Production (mt) (January 2024 to December 2024)
	Total*	Production**	
Mile 12	124.49	113.58	1,700.00
Mile 26	379.80	359.02	5,300.00
Total FFB	504.29	472.60	7,000.00

*includes productive and non-productive area (infrastructures, conservation, HCV, housing & office compound use, set aside area etc.)

**Immature + Mature Area

3.2. Planting Program for Each Estate or Division

Year / Estate or Division	Mile 26	Mile 12
1994	36.68	-
1998	27.24	70.76
2001	69.81	-
2006	40.31	-
2008	3.16	-
2010	79.08	-
2017	59.09	-
2018	-	6.76
2019	-	11.38
Total Mature	315.37	88.90
2023	35.77	15.71
2024	7.88	8.97
Total Immature	43.65	24.68

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Total	359.02	113.58
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3.3. Replanting program for each estate or division

Year of replanting	Planted area (ha) in each division		Total area to be replanted (ha)
	Mile 12	Mile 26	
2025	0	21.60	21.60
TOTAL	0	21.60	21.60

3.4. Maps of Estate or Division Location

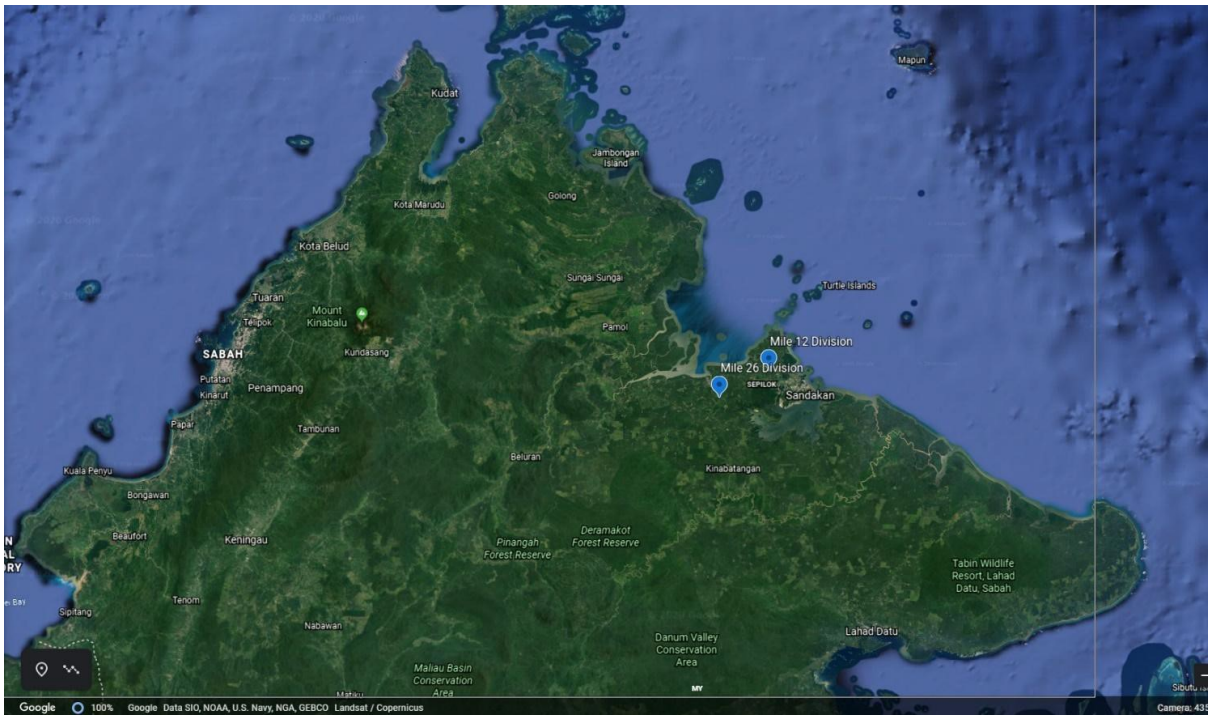


Figure 1: Google map view on both division at Mile 12 and Mile 26

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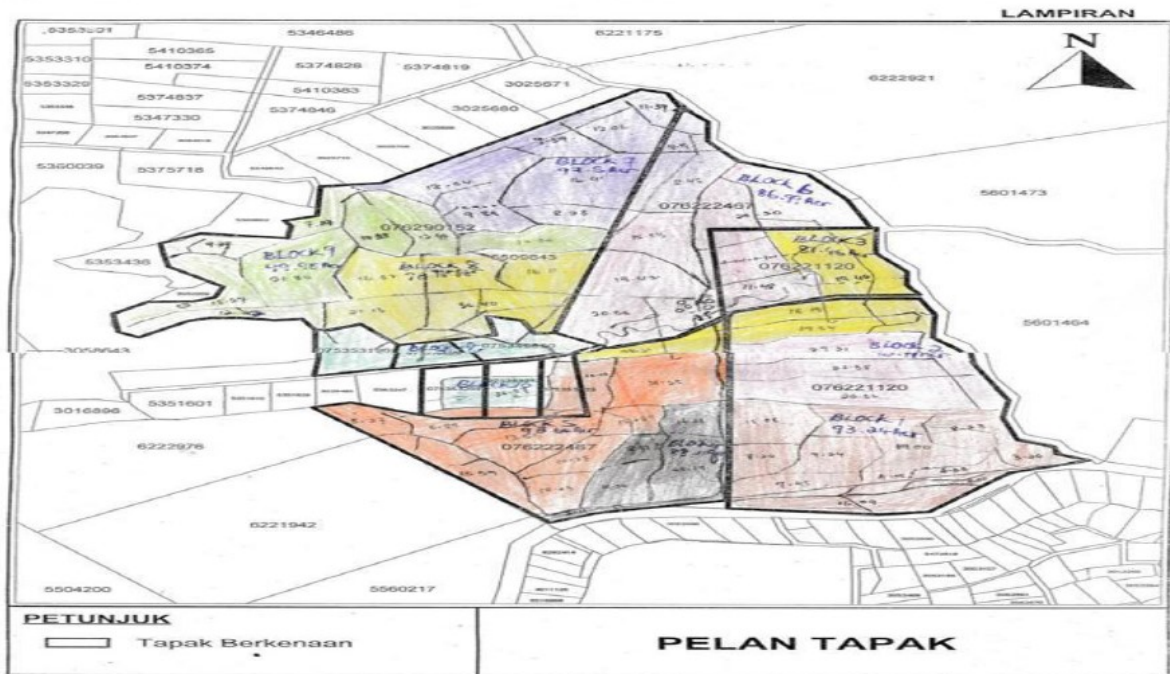


Figure 2: Map location on Mile 26

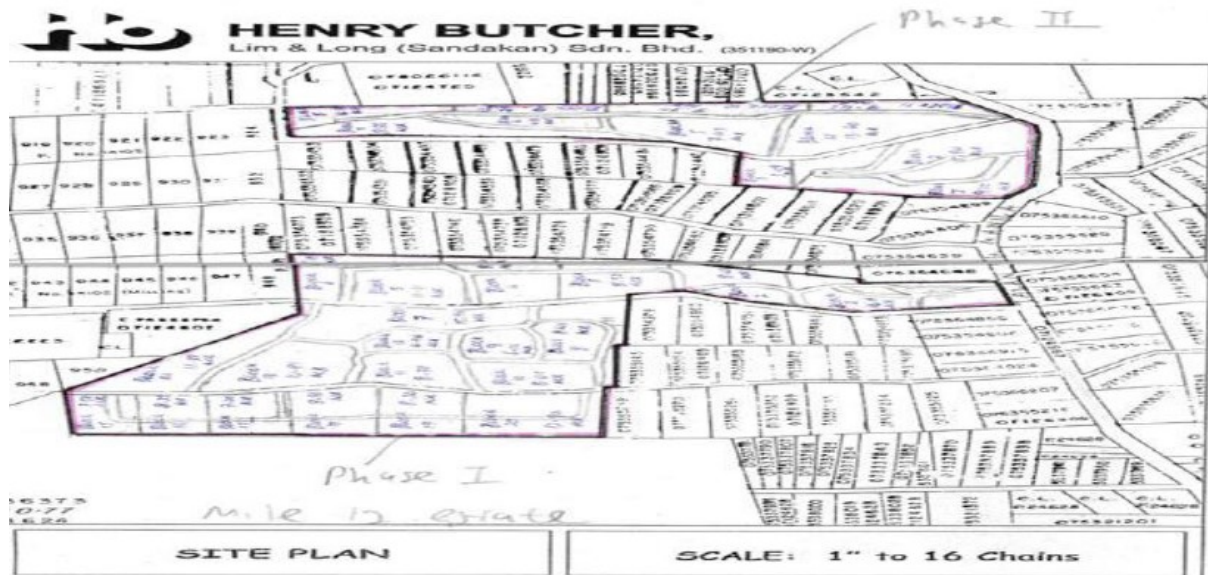


Figure 3: Map location on Mile 12

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4. CERTIFICATION ASSESSMENT**4.1. Recertification 01**

The objective of the audit is to assess the activities of the estate is in compliance with MS 2530-3:2013 Part 3 General Principles for Oil Palm Plantations and Organised Smallholders.

4.1.1. Recertification Audit:

The recertification audit is conducted on 04/12/2024 – 05/12/2024 covering Koperasi Pembangunan Bersatu Sandakan Berhad.

During the last surveillance audit, there are 0 Major, 0 Minor and 4 Opportunities for Improvement (OFI) are raised.

For details of the assessment, refer summary of assessment for each indicator in section 4.3 of this report.

The audit findings if any, raised in this audit refer to Section 4.6 of this report.

4.2. Stakeholders' Consultation

According to ACB – OPMC 4 Issue 2 dated 04/09/2020, Stakeholder Consultation Requirements Section 6: Consultation during audit, §6.1: During the stage 2 and recertification audit of the management unit, the CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

Recertification audit or any concerns or complaints or disputes raised or any prior to this audit. Stakeholders consultation shall be conducted.

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 01/11/2024 as to accommodate stakeholder's consultation meeting for Koperasi Pembangunan Bersatu Sandakan Berhad to provide comments. As at audit date on 04/12/2024 there are no comments received.

Invitation letters are sent on 01/11/2024 to invite relevant stakeholders to attend a local stakeholders' consultation on 04/12/2024 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

The topics of discussion are as below:

1. Introduction of MSPO certification.
2. Development of oil palm plantations
3. Community service and support provided
4. Wildlife management and wildlife corridor
5. Type of wildlife sighted at the plantations and wildlife corridor.
6. Local communities' development.

The following relevant Principles & Criteria of the applied standard are discussed during the stakeholders' consultation:

1. Principle 2 Criteria 2 Indicator 1: Consultation and Communication with stakeholders:

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The stakeholders could confirm they have attended meetings with the company on MSPO certification.

- Principle 4 Criteria 2 Indicator 3 & 4: A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint

The stakeholders' advice they are informed a logbook and form is available at the office to lodge any complaints or suggestions.

- Principle 4 Criteria 3 Indicator 1: Contribute to local development in consultation with the local communities.

The local communities could confirm the company has provide assistance and support to communities.

- Principle 6 Criteria 4 Indicator 1: Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information

The contractors who provides maintenance and service could confirm they are briefing on MSPO requirements.

There are no issues raised during the stakeholder's consultation in terms of tenure and/or use rights, social or environmental aspects of management and operations that need to be addressed by the certified unit. It can be concluded the relevant Principles and Criteria clauses of the applied standard are in compliance.

The list of stakeholders who attended the meeting or interview by telephone refer to Table 7-1

Items	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from Company as regards to the MSPO audit?	Stakeholders informed the MSPO audit through the invitation letter received.	No action required
2	Social issues	No social Issue raised by stakeholders.	No action required
3	Type of land title – Country Leased, Provisional Leased, Native title, Customary Land	Country Leased land title.	No action required
4	Economy / livelihood Is there any impact on livelihood after the introduction of MSPO?	Stakeholders informed MSPO has bring benefits to the local communities especially knowledge of good agricultural practices and legal requirements.	No action required
5	Does MSPO largely benefits the local community?	Stakeholders informed KPBSB has benefited the surrounding community by providing the job opportunity and awareness on social life.	No action required
6	Environmental understanding	Stakeholders informed KPBSB provide the	No action required

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Items	Subject discussed	Audit team findings	Company response and proposed action to be taken
		environment awareness such as no open burning activities and protection of river & waterways during stakeholders meeting	
7	Awareness towards species, habitats, and high conservation values	Stakeholders aware on the RTE species as displayed at estate entrance.	No action required
8	Are there any plantation management practices that affect you?	Stakeholders informed no issue regarding estate management practice that affect them.	No action required
9	Do you consider any management is in conflict with the MSPO principles and criteria?	Stakeholders informed no management conflict with MSPO implementation.	No action required
10	Do you have any suggestions for the estate management?	No suggestion.	No action required

4.3. Summary of Assessment

Principle and Criteria Assessment Summary
<p>The assessment team conduct a thorough assessment of each principle and criteria. Over the 5 years' period of the certificate cycle, there will be 4 annual surveillance audits with all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-3. The summary of the assessment as below, where the "Findings/Comments" column reflects the findings in accordance with each indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below in section 4.6.</p>

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.1.1	<p>Koperasi Pembangunan Bersatu Sandakan Berhad (KPBSB) established MSPO Policy dated 02/01/2019 signed by Chairman.</p> <p>The policy established in both Bahasa Malaysia and English and publicly available at estate office notice board.</p> <p>Document review, KPBSB has carried out "Taklimat Polisi Syarikat, Kawalan Alam Sekitar Dan Keselamatan dan Kesihatan Pekerja Asas di Ladang Kelapa Sawit" includes MSPO Policy for all workers dated 10/10/2024 and external stakeholders dated 25/09/2024.</p> <p>Field interviews with sampled harvester and chemical sprayers informed they understand on the MSPO Policy.</p>	Yes
4.1.1.2	KPBSB established MSPO Policy dated 02/01/2019 signed by chairman.	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	The policy states continual improvement in every aspect of the principle whenever practical to ensure sustainability of the business.	
4.1.2.1	<p>KPBSB established SOP for internal audit doc no: KPBSB-SOP-01, rev no: 01, updated 11/09/2019 include the flow chart of internal audit planning and carried out. The internal audit planning once a year.</p> <p>The procedure states to identify the weak point and strong point at the audit.</p> <p>KPBSB has carried out internal audit dated 17/10/2024 - 19/10/2024.</p> <p>The weakness and recommendation or improvement plan has been identified and stated in the internal audit.</p> <p>Example:</p> <p>Strong points:</p> <ul style="list-style-type: none"> • Establishment of systematic documented information; • Social responsibility towards workers in terms of providing; basic amenities and subsidies • Build up the positive relationship with stakeholders. <p>Weakness points:</p> <ul style="list-style-type: none"> • Management could consider constructing better path access in certain blocks which are newly matured in Mile 12 estate to facilitate the harvesting process of the harvesters. 	Yes
4.1.2.2	<p>KPBSB established SOP for internal audit doc no: KPBSB-SOP-01, rev no: 01, updated 11/09/2019 include the flow chart of internal audit planning and carried out.</p> <p>The SOP describes the internal audit to be conduct once a year and will be review in management review meeting.</p> <p>KPBSB conduct internal audit dated 17/10/2024 - 19/10/2024.</p> <p>One (1) NC raised during the internal audit.</p> <p>Nonconformity:</p> <p>CHRA report ref. HQ/11/ASS/00/298-2019/136 dated 05/09/2019 has expired on 5/9/2024. The Management has appointed Chemclass Sdn Bhd to conduct the CHRA as per letter dated 17 May 2024. The assessor has yet commenced the work due to tight schedule.</p> <p>Root cause analysis:</p> <p>The management had overlooked the validity of CHRA report.</p> <p>Correction:</p> <p>KPBSB shall close all the main issues before recertification audit in December 2024. The Management shall request Chemclass Sdn Bhd to expedite the CHRA.</p>	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	Document reviews verified the CHRA report has been conducted by Chemclass Sdn Bhd on 07/11/2024 and the report validity dated until 07/11/2029.	
4.1.2.3	KPBSB internal audit results are available and discuss in the management review dated 26/10/2024.	Yes
4.1.3.1	<p>Management review meeting carried out on 26/10/2024 include discuss on the internal audit findings.</p> <p>Management review agenda minute meeting:</p> <ul style="list-style-type: none"> • MSPO issues arising and solution; • Internal audit discussion; • Opportunities for improvement; • Conclusion. 	Yes
4.1.4.1	<p>KPBSB established Continual Improvement Plan dated 01/03/2019 and updated 23/08/2024 signed by chairman.</p> <p>CIP topic discussed on Social, safety & Health, environmental, regulatory.</p> <p>Example: Environment</p> <p>Action: Improve monitoring of diesel and lubricant spillage in diesel tank area and chemical store.</p> <p>Responsibility: Estate Assistant;</p> <p>Timeframe: December 2024;</p> <p>Status: Continuously;</p> <p>During site visit at diesel tank and chemical store area, there is no spillage sighted at both areas. Estate management has conducted estate facilities inspection on monthly basis latest on 28/11/2024.</p>	Yes
4.1.4.2	<p>KPBSB established SOP for new information, techniques, equipment dated 01/03/2019.</p> <p>The SOP has describe on:</p> <ul style="list-style-type: none"> • To identify and register all approved new information, techniques, equipment etc; • Valuation of new information, techniques and equipment too suit with the current practices; • Location selection for the experiment trial; • To train the operator or the employees involved; • To ensure that monitoring format of new implementation are revised and approved by chairman. 	Yes
4.1.4.3	KPBSB established SOP for new information, techniques, equipment dated 01/03/2019.	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<p>The SOP includes responsible person, training, implementation program and evaluation process.</p> <p>The SOP describes the resource such as training to be carried out while there is implementation of new technology, new information or new industry standards.</p>	

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>KPBSB established Consultation and Communication Procedure, doc no: KPBSB-SOP-02, rev no: 01, dated 11/09/2019.</p> <p>The procedure describes any request of information from stakeholders will be response within one month.</p> <p>KPBSB has established list of stakeholders latest date 25/09/2023.</p> <p>The list of stakeholders has includes:</p> <ol style="list-style-type: none"> 1. Palm Oil mill; 2. Supplier; 3. Contractors; 4. Government agencies; 5. Surrounding committee; 6. NGO. <p>KPBSB has conducted stakeholder's consultation meeting dated 25/09/2024 via email communication. Sighted invitation letter to stakeholders conducted by email respond.</p> <p>Feedback from stakeholder was received and no issue of complaint sighted.</p> <p>Example:</p> <p>Stakeholders: Quek Brothers Plantation Sdn Bhd</p> <p>Dated; 07/10/2024.</p>	Yes
4.2.1.2	<p>KPBSB has established list of publicly available and confidential documents dated 01/11/2020.</p> <p>Example:</p> <p>List of publicly available documents;</p> <ol style="list-style-type: none"> 1. Company policy; 2. SOP; 3. Incident record; 4. ERP plan; 5. PPE records; 	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>6. Complaint and Grievances procedure.</p> <p>List of confidential documents;</p> <ol style="list-style-type: none"> 1. Employees personal file; 2. Pay slip; 3. Employees insurance; 4. EPF/SOCSO. 	
4.2.2.1	<p>KPBSB has established the SOP for consultant and communication, doc no: KPBSB-SOP-02 updated 11/09/2019.</p> <p>The flowchart stated as below details:</p> <ol style="list-style-type: none"> 1. “Perkara atau isu stakeholders yang di bangkitkan harus di siasat terlebih dahulu oleh pengurus atau penolong pengurus estate”; 2. “Membuat penilaian terhadap aduan yang di terima”; 3. “Bersemuka dengan pengadu bagi menyelesaikan aduan”; 4. “Permintaan maklumat daripada stakeholders’ harus diselesaikan dalam jangka masa satu bulan daripada tarikh permohonan di terima”. <p>KPBSB established the communication and consultation form dated on 01/03/2019.</p> <p>The SOP was briefed to stakeholders during stakeholder’s consultation on 25/09/2024 via email.</p>	Yes
4.2.2.2	<p>KPBSB has appointed Estate Assistant Manager as person in charge for transparency of information and document dated 01/04/2019.</p> <p>Stakeholders’ were informed of the appointed person during the stakeholder’s meeting on 25/09/2024.</p>	Yes
4.2.2.3	<p>KPBSB list of stakeholders including contractors, suppliers, local community, government agencies and palm oil mill dated on 25/09/2023.</p> <p>Reviewed the consultation and communication records and feedback from stakeholder received, there are no issue of complaints sighted.</p> <p>The SOP was brief to stakeholders attended the stakeholder’s consultation on 25/09/2024 via email. There is no information request during the stakeholders meeting.</p>	Yes
4.2.3.1	<p>KPBSB has established SOP traceability document number KPBSB-SOP-03 dated 01/03/2019 and updated 11/09/2019.</p> <p>The SOP includes flow chart of FFB traceability as below:</p> <ul style="list-style-type: none"> • Harvesting; • Counting FFB; • FFB loading; • Weighbridge; 	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> • FFB ramp; • Records data in estate system. <p>Example: Estate w/bridge ticket (dispatch)-Miles 26 Mill: Mill A Ticket number: 005288 Date : 11/10/2024; Nett Weight: 9,380 kg Mill w/bridge ticket (receiving) Supplier: KPBSB Ticket number: C0237777 Date: 11/10/2024; Nett Weight: 9,360 kg DO number: 005288</p>	
4.2.3.2	The inspection of traceability system conducted on monthly basis by appointed person in charge (weighbridge clerks). Reviewed appointment letter dated 01/04/2019 for Mile 26 and Mile 12. Internal audit conducted 17/10/2024 – 19/10/2024 includes traceability inspection.	Yes
4.2.3.3	KPBSB appointed weighbridge clerk as person in charge for transparency of information and document for mile 26 dated 01/04/2019. KPBSB appointed weighbridge clerk as person in charge for transparency of information and document for mile 12 dated 01/04/2019.	Yes
4.2.3.4	<p>KPBSB has established records of FFB sold and delivered.</p> <ul style="list-style-type: none"> • Harvester record; • FFB chit; • Estate weighbridge ticket; • Mill weighbridge ticket; • FFB grading sheet. <p>The unique number is the estate delivery number or estate weighbridge ticket number.</p> <p>Example: Estate w/bridge ticket (dispatch)-Miles 26 Mill: Mill A Ticket number: 005288 Date : 11/10/2024; Nett Weight: 9,380 kg</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	Mill w/bridge ticket (receiving) Supplier: KPBSB Ticket number: C0237777 Date: 11/10/2024; Nett Weight: 9,360 kg DO number: 005288	

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	Reviewed and verified list of licenses and permits as below: <ol style="list-style-type: none"> MPOB license number 501396102000 for KPBSB valid for one (1) year from 01/04/2024 to 31/03/2025; MPOB License for nursery number 622098111000 valid for one (10) year from 01/08/2024 to 31/07/2025. Jabatan Tenaga Kerja Sabah has approval menggajikan pekerja bukan pemastautin, license number: JTK.H.SDK.600-4/1/1/01261/001326 valid from 12/03/2024 to 11/03/2025; Business license for KPBSB serial number: 449807, application number: R22485/2012 valid until 31/12/2024; Diesel permit doc no: KPDNHEP.SDN.34/2020 (SK) for 18,000 L from 18/08/2024 to 17/08/2027; JTK Permit potongan daripada gaji pekerja seksyen 113(4), ordinan buruh (sabah bab 67), no siri: JTKSBH/PMT/113/2023/0115 valid from 06/06/2023 – 05/06/2025. 	Yes
4.3.1.2	KPBSB has established list of laws and regulations latest updated on 27/09/2023. Stated in the list as follows: <ol style="list-style-type: none"> Environment Quality Act 1974; Employment Act 1955; Occupational Safety and Health Act (Amendment 2022); Minimum Wages Order 2022; MPOB Act 1998. 	Yes
4.3.1.3	KPBSB has established list of laws and regulations prepared by secretary latest updated on 27/09/2023. KPBSB established the SOP Mechanism of Tracking changes in law dated 11/09/2019.	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	<p>The SOP describes when they are changes in law the management team to follow up the changes to evaluate the effect of the change in laws, and to assess the current practices and suggest changes if any.</p> <p>Example:</p> <ul style="list-style-type: none"> Occupational Safety and Health Act (Amendment 2022). 	
4.3.1.4	<p>KPBSB has appoints secretary as person in charge for tracking and update the regulatory requirement.</p> <p>Reviewed appointment letter dated 01/04/2019 for verification.</p>	Yes
4.3.2.1	<p>The land titles are CL and PL issued by the State Land Office for the purpose of the cultivation of tree bearing edible fruit and agricultural crop of economic value.</p> <p>KPBSB has 9 lots of land title for Mile 26 division and 54 lots of land title for mile 12 Sungai Manila division.</p> <p>Example:</p> <ul style="list-style-type: none"> Land title 075353025, CL, validity 01/01/1974 – 31/12/2072; Land title 075353196, CL, validity period 01/01/1974 – 31/12/2072; Land title 075353203, CL, validity period 01/01/1974 – 31/12/2072. 	Yes
4.3.2.2	<p>KPBSB is the legal owner of the land and approved by State of Sabah Land authority. The land titles stated land use right are for purpose of the cultivation of tree bearing edible fruit and agricultural crop of economic value.</p> <p>The tenure of the land is 99 years lease.</p> <p>Reviewed and verified land titles CL 075353025, CL 075353196 and CL 075353203.</p>	Yes
4.3.2.3	<p>During field visit at Mile 26, block 07, observed boundary stone clearly demarcated.</p> <p>Example:</p> <p>Block: 7;</p> <p>Area: 2.77 acre.</p>	Yes
4.3.2.4	<p>KPBSB land has purchased from previous owner and approved by State Land Department.</p> <p>Therefore, no disputes found during document review. The land are country lease and provisional lease to KPBSB issued by state land authority.</p> <p>No disputes found during document review.</p>	Yes
4.3.3.1	<p>Land title issued by Sabah Land Authority there is no customary land.</p>	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	Type of land title are country lease and provisional lease. The land tenure was for the period of is 99 years.	
4.3.3.2	Land title issued by Sabah Land Authority there is no customary land. Type of land title are country lease and provisional lease. The land tenure was for the period of is 99 years. Therefore, not applicable.	Yes
4.3.3.3	Land title issued by Sabah Land Authority there is no customary land. Sighted land title transfer from person to KPBSB. Both party acknowledged the land transfer. No FPIC agreements available.	Yes

Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	KPBSB established Social Impact Assessment (SIA) report dated 09/10/2024. The SIA has been carried out through email / fax and onsite assessment to gain their feedback on social aspect related to the estate operations. The SIA report includes feedbacks from internal and external stakeholders, impacts, action plan, person in charge and timeframe. A summary of positive and negative impacts, mitigation plan promotes with timeline are included. Example of Negative impact: Negative Impact: Activity: Replanting Negative impact: Infestation of <i>rhinoceros beetles</i> on neighbours crops and fruit trees. Promoting/ control measure: Installation of pheromone traps along the replanting boundaries. Person in-charge: Estate Assistant Status: On-going Site inspection at replanting area sighted the pheromone traps are installed for controlling the <i>rhinoceros beetles</i> .	Yes
4.4.2.1	KPBSB established SOP complaint and grievances document number KPBSB-SOP-14, updated on 11/09/2019. The flowchart describes; <ul style="list-style-type: none"> • Complainants submit complaint form to field staff; • Manager and assistant will investigate the complaint; • Manager and assistant will assess the complaint; 	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> Manager and assistant will meet the complainant in person to solve the problem. <p>Complaint and grievances flowchart displayed at estate notice board.</p> <p>Field interview with sampled harvester and chemical sprayer informed they understand the complaint and grievances procedure.</p>	
4.4.2.2	<p>KPBSB established flowchart for complaint and grievance document number KPBSB-SOP-14, updated on 11/09/2019.</p> <p>The flowchart describes the timeline to resolve the complaint is one month.</p>	Yes
4.4.2.3	<p>KPBSB complaint form displayed at the estate notice board.</p> <p>Field interview with sampled workers informed they understand on complaint and grievances process.</p> <p>No complaint lodged to KPBSB from year 2019 until the audit date.</p>	Yes
4.4.2.4	<p>KPBSB complaint form and SOP complaint and grievance are displayed at estate notice board.</p> <p>Field interview with sampled workers informed they understand and have been briefed on complaint and grievances procedure.</p> <p>Briefing for complaint and grievances carried out for external stakeholders dated 25/09/2024 and workers dated 11/10/2024.</p>	Yes
4.4.2.5	<p>KPBSB complaint record is review and maintained since year 2019. No complaint lodged to KPBSB until audit date.</p>	Yes
4.4.3.1	<p>KPBSB provide work opportunities on hiring local communities for estate operation such as estate assistant, office admin and mandore.</p> <p>KPBSB provide contract opportunities for local contractor for the FFB transportation.</p>	Yes
4.4.4.1	<p>KPBSB established Occupational Safety and Health Policy updated on 15/04/2020 signed by Chairman.</p> <p>The policy states the company committed to comply with health and safety requirements and manage activities with due consideration to the safety and health of any person who may be affected by company operations.</p> <p>The policy displayed at estate notice board.</p> <p>Briefing of occupational health & safety policy carried out on 10/10/2024 to all workers.</p> <p>Field interview with sampled workers informed they have been brief on the occupational safety & health policy.</p>	Yes
4.4.4.2	<p>a</p> <p>KPBSB conduct occupational health & safety policy briefing to workers on 10/10/2024 and external stakeholder on 25/09/2024.</p> <p>The policy is display on the estate notice board.</p> <p>Field interviews with sampled workers informed they understand on the occupational safety & health policy.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
b	<p>KPBSB established HIRARC updated on 20/03/2023 includes all estate operations.</p> <p>HIRARC consists of activity, hazard, risk, existing controls, risk rating, additional controls and person in charge.</p> <p>Example:</p> <p>Activity: Replanting (Palm Chipping)</p> <p>Hazard: Sharp Tractor Bucket blade</p> <p>Risk: Sevier Injuries</p> <p>Existing control: It is forbidden to approach working machinery, the use of complete PPE</p> <p>Recommended control: Replanting Safety procedure training</p> <p>Person in-charge: Estate assistant</p>	Yes
c i	<p>KPBSB carried out training for SOP includes safe work practices for estate operations.</p> <p>Example:</p> <ul style="list-style-type: none"> SOP harvesting, spraying, manuring and PPE dated 12/10/2024. <p>Field interviews with sampled harvester and chemical sprayer informed they understand on the safe work practices.</p>	Yes
c ii	<p>KPBSB SDSs are kept at chemical and fertilizer store.</p> <p>SDS are available in English and Bahasa Malaysia language.</p> <p>Example:</p> <p>SDS glyphosate dated 05/12/2020.</p> <p>SDS Sentry dated 03/04/2020.</p> <p>Onsite visit at chemical store, store arrangement was in good condition. The store was locked and only person in charge will allow enter. Proper chemical placement and labelling.</p> <p>Signage of warning and hazard is in place.</p>	Yes
d	<p>KPBSB established record of PPEs issuance and review on the records is maintained and updated.</p> <p>Example PPE issuance records dated 13/09/2024 for chemical sprayers is review.</p> <p>Field interviews with sampled harvester and chemical sprayer informed, PPE provided by the estate management.</p>	Yes
e	<p>KPBSB established SOP Chemical Handling document number KPBSB-SOP-09 dated 01/03/2019.</p> <p>Chemical storage and handling SOP briefed to workers on 12/10/2024.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Field interviews with sampled workers informed they understand on the SOP.</p> <p>Onsite visit at chemical store observed chemical products are store in original label and packing.</p>	
f	<p>KPBSB appointed estate assistant as person in-charge for safety and health.</p> <p>KPBSB PIC for safety and health has been attended OSH Coordinator (OSH-C) training on 19/08/2024 – 21/08/2024.</p>	Yes
g	<p>KPBSB has a total number of 25 workers. Therefore, below the minimum requirements to have an OSH committee in accordance to DOSH requirements.</p> <p>KPBSB conduct safety and health meeting on quarterly basis.</p> <p>Latest safety and health meeting carried out on 28/09/2024 with participants of both employer and employee representatives and includes agenda of safety and health and accident update.</p>	Yes
h	<p>KPBSB established Emergency Response Plan (ERP) dated 01/02/2019.</p> <p>Established ERP includes Chemical Spillage, Accident, Fire, Flood and Poisoning.</p> <p>ERP and emergency contact number displayed at estate notice board.</p> <p>Briefing of safety and ERP carried out on 11/10/2024.</p>	Yes
i	<p>KPBSB weighbridge operator is a competent first aider and attended first aid training by “Persatuan Bulan Sabit Merah” Malaysia Sandakan dated 26/10/2024.</p> <p>KPBSB carried out first aid briefing to all workers dated 30/10/2024.</p> <p>First aid kits equipped with approved contents are available at each work site and maintained by the first aider.</p>	Yes
j	<p>KPBSB established record of accident and injuries, no accident reported since last audit date.</p> <p>KPBSB conduct OSH meeting on 28/09/2024 include agenda on reporting for accident or injuries cases.</p> <p>Annual accident report, JKPP 8 for year 2023 submitted to DOSH on 04/01/2024 with no accident reported.</p>	Yes
4.4.5.1	<p>KPBSB established Human Resources and Social Policy dated 11/09/2019 signed by Chairman.</p> <p>The policy is displays at estate notice board.</p> <p>KPBSB is committed to practice good human resources and social practices for all employee by adhering to the following:</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> Comply with the Labour Ordinance (Sabah Cap. 67) and all related statutes, laws and regulations; Provide equal opportunity and treatment to all employees; No discriminatory practices based on race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics; Provide good living quarters with basic amenities; Prohibit employment of child and forced labour; Prohibit any form of domestic violence; Promote and enhance quality of life and wellbeing of the employees and communities; Freedom of association and the effective recognition of the right to collective bargaining. <p>Social Policy was brief to external stakeholders through email dated 25/09/2024 and workers dated 10/10/2024.</p> <p>Field interview with sampled harvester and chemical sprayer informed they understand the company social policy.</p>	
4.4.5.2	<p>KPBSB established Human Resources and Social Policy dated 11/09/2019 signed by Chairman.</p> <p>The policy is displayed at estate notice board.</p> <p>KPBSB is committed to practice good human resources and social practices for all employee by adhering to the following:</p> <ul style="list-style-type: none"> Provide equal opportunity and treatment to all employees; No discriminatory practices based on race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. <p>Field interview with sampled harvester and chemical sprayer informed they understand the company social policy.</p>	Yes
4.4.5.3	<p>KPBSB established contract agreement includes list of piece rate, hourly and daily rate work.</p> <p>Contract agreement signed by management and workers.</p> <p>KPBSB issue a memo for revision of daily rate work to follow Minimum Wages Order 2022 dated 01/05/2022.</p> <p>The memo state the new pay rate for daily rate is RM 57.69 per day and RM 7.21 per hourly rate in accordance to Minimum Wages Order 2022.</p> <p>Field interviews with sampled harvester and chemical sprayer informed they had been brief on the piece rated and agreed with the pay rate.</p> <p>Review on harvester payslip month of October 2024, indicates the workers' pays is in line with agreed hourly rate or piece rate.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.4	<p>KPBSB monitor FFB transporter worker wages by payment voucher based on verbal agreement rates between the contractor and the worker.</p> <p>Reviewed on the payment voucher of the contractor worker dated 02/09/2024 for work carried out in August 2024, the wages paid is according to agreed rates and above Minimum Wages Order 2022.</p>	Yes
4.4.5.5	<p>KPBSB established list of workers that contain name, gender, date of birth, date joined, job description and wages.</p>	Yes
4.4.5.6	<p>KPBSB established worker contract for every worker recruited and signed by both parties.</p> <p>Workers are brief on the terms and conditions, wage, position of the work contract and copy is provided.</p> <p>Field interview with sampled workers informed they have been brief on the contract terms and conditions and received a signed copy.</p>	Yes
4.4.5.7	<p>KPBSB use the attendance record book to monitor workers reporting work and working hours for each day.</p> <p>The working hours is display at the notice board.</p> <p>Overtime rate according to Sabah Labour Ordinance 1967 requirement of 1.5 times hourly rate for normal overtime and 2.0 times hourly rate for rest day.</p> <p>Field interview with sampled harvester and chemical sprayer informed they understand working hours and overtime rates as acknowledge in the contract agreement.</p>	Yes
4.4.5.8	<p>KPBSB established working hours and displayed at estate notice board.</p> <p>Working hours: 7:00 am to 4:00 pm ;</p> <p>Break time: 12:00 pm – 1:00 pm.</p> <p>Field interview with sampled harvester and chemical sprayer informed they understand on estate working hours.</p>	Yes
4.4.5.9	<p>KPBSB provide pay slip to all workers for documenting wage for the month, deduction and any overtime performed.</p> <p>Workers are paid either piece rate or daily rate.</p> <p>Field interview with sampled workers informed they understand the working hours and overtime rates, however no OT required in the estate.</p> <p>KPBSB has obtained 'JTK Permit Potongan Daripada Gaji Pekerja' approved for electricity deduction RM20.00 valid from 06/06/2023 – 05/06/2025.</p>	Yes
4.4.5.10	<p>KPBSB provides benefits for both local and foreign workers such as medical cost, sick leave, SOCSO and public holidays.</p>	Yes
4.4.5.11	<p>KPBSB adopt industry best practices for living quarters.</p> <p>The basic amenities such as recreational area, toilet, water and electricity are provided.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.12	<p>KPBSB established Sexual Harassment Policy dated 02/01/2019 signed by Chairman.</p> <p>The policy is displays at estate notice board.</p> <p>The policy states KPBSB is committed to provide a safe work environment which is conducive, safe and free from sexual harassment. Sexual harassment is unwelcomed conduct of a sexual nature, which makes a person feel offended, humiliated and/or intimidated.</p> <p>No complaint lodged for sexual harassment and violence.</p> <p>Sexual Harassment Policy briefing has been conducted on 10/10/2024.</p> <p>Field interview with sampled workers informed no sexual harassment cases occurred in KPBSB.</p>	Yes
4.4.5.13	<p>KPBSB established Human Resources and Social Policy dated 11/09/2019 signed by Chairman.</p> <p>The policy state KPBSB is committed to freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Field interview with sampled workers informed there is no union form in KPBSB. However, worker informed the worker meeting carried out annually as communication tools between workers and management team.</p>	Yes
4.4.5.14	<p>KPBSB established Human Resources and Social Policy dated 11/09/2019 signed by Chairman.</p> <p>The policy state KPBSB is committed to practice good human resources and social practices for all employee by adhering to the following;</p> <ul style="list-style-type: none"> Prohibit employment of child and forced labour <p>Document review on the workers list verified all estate workers above 18 years old.</p> <p>Field interview with sampled harvester and chemical sprayer confirmed there is no employment of children or young persons in the estate.</p>	Yes
4.4.6.1	<p>KPBSB established annual training program for year 2024.</p> <p>Training program include:</p> <ul style="list-style-type: none"> Company policies ; SOPs; First aid; Environmental; Safety and health. <p>Example of briefing records:</p> <ul style="list-style-type: none"> Company Policies dated 10/10/2024; 	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> Briefing of ERP, SOP complaint and grievance, and SOP new information, technique and equipment dated 11/10/2024; First aid dated 30/10/2024; SOP harvesting, SOP spraying, SOP manuring and PPE dated 12/10/2024. 	
4.4.6.2	<p>KPBSB established training need analysis dated 27/06/2024 according to job description.</p> <p>Example:</p> <p>Harvester need to attend briefing for company policies, SOP harvesting, ERP, safety and health, first aid and environmental.</p> <p>Field interview with sampled harvester informed training have been provided to them according to their job task.</p>	Yes
4.4.6.3	<p>KPBSB established continuous training program for year 2024.</p> <p>The training were planned for whole year includes company policies, SOPs, first aid, environmental and safety and health.</p> <p>Example of training program:</p> <ul style="list-style-type: none"> First aid on October 2025. 	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>KPBSB established Environmental policy revision 0, updated 02/01/2019 signed by Chairman.</p> <p>The policy states;</p> <p>In protecting the environment and enhancing biodiversity, we shall undertake the following:</p> <ol style="list-style-type: none"> Meet all environmental rules and regulation in oil palm industry; Zero burning on all oil palm cultivation activities; Educating and enhancing awareness of stakeholders pertaining to protection of the environment and biodiversity through regular training and communication. <p>KPBSB established the Identification and Evaluation of Environment Aspects and Impacts updated on 23/08/2024.</p> <p>Identification and Evaluation of Environment Aspects and Impacts included the Activity, Environmental aspect, type of impact and control measure.</p> <p>Example of the EAIA :</p> <p>Activities: Mixing of pesticide;</p> <p>Environment Aspect: Spillage of pesticide;</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Environment Impacts: Water and land pollution;</p> <p>Mitigation/improvement plan: Established chemical mixing area and ensure workers using the facility;</p> <p>Person in charge: Estate assistant.</p> <p>Onsite visit to estate confirmed premix are had been set up for workers mixing chemicals.</p>	
4.5.1.2	<p>a KPBSB established the Identification and Evaluation of Environment Aspects and Impacts latest updated on 23/08/2024.</p> <p>Identification and Evaluation of Environment Aspects and Impacts include the objective and environmental policy as stated below;</p> <ul style="list-style-type: none"> • Meet all environmental rules and regulation in oil palm industry. • Zero burning on all oil palm cultivation activities. • Educating and enhancing awareness of stakeholders pertaining to protection of the environment and biodiversity through regular training and communication. 	Yes
	<p>b KPBSB established the Identification and Evaluation of Environment Aspects and Impacts latest updated on 23/08/2024.</p> <p>Aspects and Impacts for all estates operation is identified.</p> <ul style="list-style-type: none"> • Admin; • Manuring; • Upkeep/weeding; • Harvesting; • Fertilizer store; • Chemical store; • Workshops; • Workers quarters; • Nursery; • Replanting. <p>Example:</p> <p>Activities : Vehicle & Machinery Maintenance;</p> <p>Environment Aspect : Lengthen lifespan of equipment, fuel efficiency;</p> <p>Environment Impacts : Air and land pollution;</p>	Yes
4.5.1.3	<p>The Environmental Aspects and Impacts established includes the negatives impacts and control measures to promote the positive ones.</p> <p>The environmental Aspect and Impact has mitigate the negative impacts and promote to the positive ones example:</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services														
Indicator	Summary of Assessment	Compliance												
	Activities: Manuring; Positive Impacts: Preparing bins for recycle materials at housing area. Plan to promote: Reduction in waste materials disposed to landfill, regular site inspection and training.													
4.5.1.4	KPBSB established the CIP for environment, updated on 23/08/2024. Example: Action: Improve monitoring of diesel and lubricant spillage in diesel tank area and store; Responsibility: Estate Assistant; Timeframe: Ongoing. Onsite visit to diesel and lubricant store indicates no spillage observed.	Yes												
4.5.1.5	KPBSB has established annual training plan for 2024, document number: KPBST-T01, dated 06/10/2024. The plan has includes training on environment policy. The environmental policy and plan training conducted by estate management, dated on 10/10/2024.	Yes												
4.5.1.6	KPBSB has conducted environmental meeting between management and workers on 28/09/2024. The meeting had discussed about housekeeping and cleanliness of worker quarters, waste management and stream water analysis. Sighted the minute meeting of discussion. No feedback from workers regarding to environmental issue. The frequency of the meeting is to be conducted once a year.	Yes												
4.5.2.1	KPBSB established the diesel consumption monitoring record from 2019 until 2023. For the past five years, total diesel usage are: <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Year</th> <th>Total diesel (Liter)</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>51,809.48</td> </tr> <tr> <td>2020</td> <td>39,409.42</td> </tr> <tr> <td>2021</td> <td>45,316.29</td> </tr> <tr> <td>2022</td> <td>41,305.54</td> </tr> <tr> <td>2023</td> <td>46,071.21</td> </tr> </tbody> </table> Diesel usage for year 2023 is higher compared to 2022. This is due to replanting activities, and higher crops production. KPBSB is using electricity from the grid. Reviewed records of electricity used from grid for the year 2020 to 2024. Electricity consumption is comparable in terms of YTD average.	Year	Total diesel (Liter)	2019	51,809.48	2020	39,409.42	2021	45,316.29	2022	41,305.54	2023	46,071.21	Yes
Year	Total diesel (Liter)													
2019	51,809.48													
2020	39,409.42													
2021	45,316.29													
2022	41,305.54													
2023	46,071.21													

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Principle 5: Environment, natural resources, biodiversity and ecosystem services					
Indicator	Summary of Assessment	Compliance			
4.5.2.2	Annual budget for diesel consumption had been established for 2024 and monthly compared with the actual consumption. Diesel usage for year 2024 is within the budget range mainly due to less usage of machineries for activities such as road repairs, etc.	Yes			
4.5.2.3	KPBSB does not practice renewable energy for their estate.	Yes			
4.5.3.1	KPBSB has established waste management plan revision 02, dated 01/03/2020. The waste management plan includes the types of waste, item description, location/source and action taken. For example: Example of waste identified and its sources: <ul style="list-style-type: none"> • Solid waste: Empty chemical containers. • Sources: chemical spraying activities; • Liquid waste: Used Oil • Source: Workshop • Gaseous waste: Smoke • Source: Farm tractor 	Yes			
4.5.3.2	a KPBSB has established waste management plan revision 02, dated 01/03/2020. Source of waste and pollution is identifying in the waste management plan. For example : Recycled waste (Solid) Sources : Estate Type of waste: Organic waste. Action plan: EFB mulching	Yes			
	b KPBSB has established waste management plan revision 02, dated 01/03/2020. The waste management plan includes: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Waste generated</th> <th>Recycle/reused</th> </tr> </thead> <tbody> <tr> <td>Empty Fertilizer Bag</td> <td>Collect loose fruits</td> </tr> </tbody> </table>	Waste generated	Recycle/reused	Empty Fertilizer Bag	Collect loose fruits
Waste generated	Recycle/reused				
Empty Fertilizer Bag	Collect loose fruits				

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Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Indicator	Summary of Assessment		Compliance
	Cutting old fronds	Moisturize the soil and decomposed as organic fertilizer	
4.5.3.3	<p>KPBSB has established SOP for chemical handlings revision 00, dated 01/03/2019.</p> <p>The procedure describes:</p> <ol style="list-style-type: none"> 1) Handlings of chemical before starting the work; 2) Handlings of chemical while the work; 3) Handlings of chemical after the work. <p>Used lubricant oils from vehicles are collected by service contractors. Empty chemical containers are triple rinsed and reused for chemical premixing.</p>		Yes
4.5.3.4	<p>KPBSB established SOP management of schedules waste revision 00, dated 01/03/2019.</p> <p>Used lubricant oils from vehicles are collected by service contractors. Empty pesticide containers are triple rinsed and reused for chemical premixing.</p> <p>During site visit, observed empty pesticide containers are triple rinsed and marked with "X" in red.</p> <p>Empty pesticide containers which are triple rinsed and punctured are also reused for worker quarters beautification purposes.</p>		Yes
4.5.3.5	<p>Domestic wastes had been disposed at dedicated landfill at Mile 26 and as for Mile 12 there are designated bins provided by the local council.</p> <p>During field visit at Mile 26, observed landfill is well maintained with appropriate open and close date.</p>		Yes
4.5.4.1	<p>KPBSB has established waste management plan revision 02, dated 01/03/2020.</p> <p>Example sources and type of wastes identified:</p> <ul style="list-style-type: none"> • Liquid waste - Used lubricants; • Solid waste – empty pesticide containers; • Gaseous waste – Carbon monoxide produced by FFB tractors. 		Yes
4.5.4.2	<p>KPBSB established Inventory and Mitigation GHG for estate revision 00, dated 01/03/2020.</p> <p>The disposal and treatment method for each type of waste generated had been listed as below example:</p> <p>Activity: FFB Transportation;</p> <p>Operation: Transportation;</p> <p>Emission: Carbon monoxide;</p> <p>Mitigation measures:</p>		Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services															
Indicator	Summary of Assessment	Compliance													
	<ul style="list-style-type: none"> Vehicles use for transportation only; Switch off the engine when waiting; Periodic scheduled maintenance. 														
4.5.5.1	<p>a</p> <p>KPBSB established Water Management Plan revision 00, updated 19/12/2019.</p> <p>Source of water and its usage a below:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Source</th> <th>Usage</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Mile 12</td> <td>Rain Water</td> <td>Weed spraying, washing PPE, triple rinsing</td> </tr> <tr> <td>Jabatan Air Negeri Sabah</td> <td>Drinking, cooking, bathing</td> </tr> <tr> <td rowspan="2">Mile 26</td> <td>Rain Water</td> <td>Weed spraying, washing PPE, triple rinsing</td> </tr> <tr> <td>Jabatan Air Negeri Sabah</td> <td>Drinking, cooking, bathing</td> </tr> </tbody> </table>	Estate	Source	Usage	Mile 12	Rain Water	Weed spraying, washing PPE, triple rinsing	Jabatan Air Negeri Sabah	Drinking, cooking, bathing	Mile 26	Rain Water	Weed spraying, washing PPE, triple rinsing	Jabatan Air Negeri Sabah	Drinking, cooking, bathing	Yes
Estate	Source	Usage													
Mile 12	Rain Water	Weed spraying, washing PPE, triple rinsing													
	Jabatan Air Negeri Sabah	Drinking, cooking, bathing													
Mile 26	Rain Water	Weed spraying, washing PPE, triple rinsing													
	Jabatan Air Negeri Sabah	Drinking, cooking, bathing													
	<p>b</p> <p>Water quality tests conducted to monitor in and outgoing water conducted by external laboratory, Testing Services (Sabah) Sdn. Bhd. dated on 02/09/2024 to ensure no contamination of waterways.</p> <p>WQI results for outlet water is clean with reference to DOE Water Quality Classification Based On Water Quality Index.</p> <p>Site visit sighted the water discharge from worker quarters goes to the nearest field with proper drainage system.</p> <p>All worker quarters are provided with toilets and equipped with septic tank.</p>	Yes													
	<p>c</p> <p>The water management plan established has listed method of ensuring optimization of water as below:</p> <ul style="list-style-type: none"> Front stacking to increase soil moisture; Construction of drains in the field; Planting of legume cover crops on terrace area. <p>During field visit, observed field drains and silt pits constructed for water management.</p>	Yes													
	<p>d</p> <p>During field visit, observed buffer zones are maintained for all stream/ river and water catchment area.</p>	Yes													

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>All vegetation are preserved and prohibited from any cultivation and plantation maintenance activities for example, manuring, harvesting, and spraying.</p> <p>Training for buffer zone conducted by estate on 10/10/2024.</p>	
	<p>e During field visit, observed buffer zones are maintained for all stream/ river and water catchment area.</p> <p>Palms are mark with red paint indicates buffer zone are.</p> <p>All vegetation are preserved and prohibited from any cultivation and plantation maintenance activities for example, manuring, harvesting, and spraying.</p>	Yes
	<p>f Field visit to estate site observed no use bore wells for water supply.</p>	Yes
4.5.5.2	Field visit to estate site observed no bunds and weirs constructed by estate.	Yes
4.5.5.3	KPBSB practices rain water harvesting by providing water storage tanks to be placed at worker quarters.	Yes
4.5.6.1	<p>a KPBSB has established High Biodiversity Value Assessments dated 22/04/2019 conducted by environmental consultant (HSE Souldion).</p> <p>The assessments is to study the existing of flora and fauna in the proposed area.</p> <p>Below is the example of identified rare, threatened, or endangered species (RTE):</p> <ul style="list-style-type: none"> • Black Flying Squirrel (<i>Aeromys tephromelas</i>); • Crab –eating macaque; • Large treeshrew (Tupai tanah); • Pigeons; • Doves; • Red Junglefowl. <p>Record of Wildlife Discovery sighted monitor lizard in estate dated 13/06/2024.</p>	Yes
	<p>b KPBSB has established High Biodiversity Value Assessments dated 22/04/2019.</p> <p>The assessments is to study the existing of flora and fauna in the proposed area.</p> <p>Below is the example of identified rare, threatened, or endangered species (RTE) :</p> <ol style="list-style-type: none"> 1. Black Flying Squirrel (<i>Aeromys tephromelas</i>); 2. Crab –eating macaque (monkey); 	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>3. Large treeshrew (Tupai tanah);</p> <p>4. Pigeons;</p> <p>5. Doves;</p> <p>6. Red Junglefowl.</p> <p>Conservation status of wildlife identified according to IUCN is least concerned.</p>	
4.5.6.2	<p>a KPBSB has established the High Biodiversity Value Assessments dated 22/04/2019.</p> <p>Management action plans are as below:</p> <p>Issue: Hunting will become the major issues with the existence of the access road;</p> <p>Mitigation measure: Signage prohibiting hunting is recommended to alert people on the wildlife protection initiative by the estate's management;</p> <p>Monitoring: Well maintain the signage;</p> <p>Status: Completed.</p> <p>Sighted the signage for no hunting, capturing and penalty according to legal requirements during field visit.</p> <p>Site visit observed the information is displayed on the estate notice board for review and workers informed regarding this during morning muster.</p> <p>Field interviews with sampled chemical sprayers and general workers informed they aware on the wildlife and has monitor and report to management if any animal seen.</p>	Yes
	<p>b KPBSB has established environmental policy revision 00, dated 02/01/2019 signed by Chairman.</p> <p>The policy has describes its objective;</p> <ul style="list-style-type: none"> Educating and enhancing awareness of stakeholders pertaining to protection of the environment and biodiversity through regular trainings and communication. <p>Site visit observed the information is displayed on the estate notice board for review and worker informed regarding this during morning muster.</p>	Yes
4.5.6.3	<p>Records of wildlife discovery in estate is established for year 2024.</p> <p>Sighted in the records date, name of wildlife, person found and action plan.</p> <p>Example:</p> <p>Record of Wildlife Discovery sighted monitor lizard in estate dated 13/06/2024.</p> <p>Training for Biodiversity for all workers on 10/10/2024.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Field visit and interviews, confirmed that worker are aware of biodiversity area RTE	
4.5.7.1	<p>KPBSB has established environmental policy revision 00, dated 02/01/2019 signed by Chairman.</p> <p>The policy has describes;</p> <ul style="list-style-type: none"> • Zero burning on all oil palm cultivation activities <p>During field visit, observed no burning at housing and landfill area.</p>	Yes
4.5.7.2	There are no serious palm diseases sighted during the field visits that require burning. Therefore, no special approval for open burning from the relevant authorities.	Yes
4.5.7.3	<p>There are no serious palm diseases sighted during the field visits that require burning.</p> <p>There are no application documents sighted for controlled burning.</p>	Yes
4.5.7.4	<p>KPBSB has established SOP for replanting revision 01, dated 01/03/2019.</p> <p>The SOP includes activities such as, felling, chipping and stacking.</p> <p>Replanting activity conducted at block 4, Miles 12. Field observation confirm replanting was done according to the SOP established.</p>	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>KPBSB established list of SOPs for field operations dated 01/03/2019 as follows:</p> <ol style="list-style-type: none"> 1. 'Menuai Buah Sawit' document number KPBSB-SOP-06; 2. 'Meracun Rumpai', document number KPBSB-SOP-07; 3. 'Kerja-Kerja Mengangkut BTS', document number KPBSB-SOP-10 4. 'Memandu Kenderaan', document; number KPBSB-SOP-12. <p>Training of the SOPs carried out to all estate workers.</p> <p>Example:</p> <ol style="list-style-type: none"> 1. SOP and safety working procedure for harvesting and FFB loading dated 12/10/2024; 2. SOP and safety working procedure for manuring dated 12/10/2024; 3. SOP and safety working procedure for spraying dated 12/10/2024; 4. First aid Training dated 30/10/2024. <p>Field interview with sampled workers informed they understand on the training carried out.</p>	Yes
4.6.1.2	<p>KPBSB established SOP for replanting document number KPBSB-SOP-16, revision 01, dated 01/03/2019 including terrace construction.</p>	Yes

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Principle 6: Best Practices																				
Indicator	Summary of Assessment			Compliance																
	<p>SOP describes:</p> <ul style="list-style-type: none"> • Terracing shall be done mechanically over areas that determined by the management; • Terracing shall be carried out along the contour. Distance between terraces shall be indicated by pegs along the contour as determined by the management; • Terrace shall be constructed to a minimum width of 4.3 meters; • Properly compacted stop bund shall be constructed on the terraces at intervals of 20 meters; • The internal end of each blind terrace shall be connected to the nearest terrace above or below it and that all the external ends of terrace shall be connected properly to the roads. <p>KPBSB established Soil Pollution Management Plan, document number KPBSB-ENV-03 dated 01/03/2019 for managing soil erosion.</p> <p>The management plan describes:</p> <ul style="list-style-type: none"> • To ensure hilly area constructed with terraces; • To plant cover crop at the terrace area. <p>Field visit confirmed terrace constructed at the hilly area and cover crop planted along the terraces.</p>																			
4.6.1.3	KPBSB established block marker for each block include details such as phase number, block number, total area and planting year.			Yes																
4.6.2.1	<p>KPBSB has established business management plan for 2 years from 2024 to 2025.</p> <p>The financial management plan includes:</p> <ol style="list-style-type: none"> 1. FFB production and price forecast; 2. Total expenditure; 3. Labor wages; 4. Budget for replanting; 			Yes																
4.6.2.2	<p>KPBSB established replanting program for 2 years from 2024 to 2025.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Year</th> <th>Division</th> <th>Block</th> <th>Total area (acre)</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>Mile 26</td> <td>3A</td> <td>62.00</td> </tr> <tr> <td>2025</td> <td>Mile 26</td> <td>4B</td> <td>20.50</td> </tr> <tr> <td>2025</td> <td>Mile 26</td> <td>5A</td> <td>28.65</td> </tr> </tbody> </table>			Year	Division	Block	Total area (acre)	2025	Mile 26	3A	62.00	2025	Mile 26	4B	20.50	2025	Mile 26	5A	28.65	Yes
Year	Division	Block	Total area (acre)																	
2025	Mile 26	3A	62.00																	
2025	Mile 26	4B	20.50																	
2025	Mile 26	5A	28.65																	
4.6.2.3	<p>KPBSB established business management plan for 2024 – 2025.</p> <p>The business plan has includes the following;</p> <ol style="list-style-type: none"> 1. Planting material; 			Yes																

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	<ol style="list-style-type: none"> 2. Crop projection; 3. Cost of production/ mt; 4. FFB price forecast; 5. YPH; 	
4.6.2.4	<p>KPBSB established report for income and expenditure accounts as at November 2023.</p> <p>The report includes expenditure on general chargers, upkeep work, harvesting cost, FFB production, FFB price per ton and net profit.</p>	Yes
4.6.3.1	<p>KPBSB purchase chemical and fertilizer from the recognized supplier.</p> <ol style="list-style-type: none"> 1. Estate request quotation from supplier; 2. Purchase order to be issued out as per quoted price; 3. Supplier issue delivery note and invoice when delivering the product; 4. Issue out payment voucher to supplier when payment made; 5. Estate will received invoice as a proof of payment made. <p>Example:</p> <p>Quotation for fertilizer dated 12/07/2024, purchase order dated 29/07/2024, delivery order dated 26/09/2024 and invoice dated 26/10/2024 are reviewed.</p>	Yes
4.6.3.2	<p>KPBSB purchase products and services such as chemical, fertilizer and working tools using a quotation and purchase order system.</p> <p>The payment made based on terms and conditions stated in the quotation provided by supplier and issuance of purchase order to acknowledge and confirmation of agreed price.</p>	Yes
4.6.4.1	<p>KPBSB engaged contractor for FFBs transportation.</p> <p>Contract agreement dated 01/10/2023 between KPBSB and FFB transporter is review.</p> <p>Review on the contract agreement has include statement of MSPO requirement.</p> <ul style="list-style-type: none"> • The contractor shall agrees to be interview and assessed by MSPO auditors appointed by the Society and to provide the required information and information as part of the MSPO requirement; • The contractor shall understand and comply with all regulatory requirement and also the relevant MSPO principles and their corresponding criteria and indicator in his dealing with the society. <p>KPBSB communicate with contractor on MSPO awareness via letter dated 01/10/2023.</p>	Yes
4.6.4.2	<p>KPBSB engaged contractor for FFBs transportation, review on the contract agreement dated 01/10/2023 signed by both KPBSB representative and contractor.</p>	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.4.3	<p>KPBSB established contract agreement dated 01/10/2023 includes terms and conditions states the contractor has to comply to the MSPO requirements and subject to be audited by the appointed Certification Body.</p>	Yes
4.6.4.4	<p>KPBSB established the records for monitoring work performed by the contractor is duly signed by both parties upon completion of the tasks.</p> <p>Payment invoice is verify by estates management team prior payment is made.</p> <p>Example payment voucher for contractor dated August 2024. The payment was made in accordance with contract agreement terms and conditions.</p>	Yes

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Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	<p>KPBSB planting statements is review. There is no new planting carried out.</p> <p>The 1st planting is carried out in 1994, the latest replanting in year 2023 for 51.48 ha and year 2024 16.85 ha.</p> <p>Therefore, no biodiversity assessment required.</p>	Yes
4.7.1.2	<p>KPBSB planting statements is review. There is no new planting carried out.</p> <p>The 1st planting is carried out in 1994, the latest replanting in year 2023 for 51.48 ha and year 2024 16.85 ha.</p> <p>Therefore, no PMM required.</p>	Yes
4.7.2.1	<p>KPBSB planting statement and maps are review, there is no peat land observed.</p> <p>Field visit confirmed there is no peat land occur within the estate.</p>	Yes
4.7.3.1	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no SEIA carried out.</p>	Yes
4.7.3.2	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no SEIA carried out.</p>	Yes
4.7.3.3	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no SEIA carried out.</p>	Yes
4.7.3.4	<p>There are no smallholder's scheme in KPBSB certification. Therefore, not applicable.</p>	Yes
4.7.4.1	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no soil map established.</p>	Yes
4.7.4.2	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no topography map established.</p>	Yes
4.7.5.1	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no map established and no permit available.</p>	Yes
4.7.5.2	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no plan established.</p>	Yes
4.7.5.3	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no soil map established.</p>	Yes
4.7.6.1	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no FPIC carried out and no communities affected.</p>	Yes
4.7.6.2	<p>KPBSB planting statement is review and there is no new planting carried out. There is no sacred sites, therefore no management plan established.</p>	Yes
4.7.6.3	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no SOP established.</p>	Yes
4.7.6.4	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no compensation and agreement established.</p>	Yes
4.7.6.5	<p>KPBSB planting statement is review and there is no new planting carried out. Therefore, no assessment established.</p>	Yes

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4.7.6.6	KPBSB planting statement is review and there is no new planting carried out. Therefore, no system establish for calculating the compensation for distribution.	Yes
4.7.6.7	KPBSB planting statement is review and there is no new planting carried out. Therefore, no compensation plan established.	Yes
4.7.6.8	KPBSB planting statement is review and there is no new planting carried out. Therefore, no communities affected.	Yes

4.4. Use of Marks and/or Any Other References to Certification

The audit team leader has reviewed and confirmed that there are no usage of mark/logo in Koperasi Pembangunan Bersatu Sandakan Berhad operation or any on/off-products claim.

4.5. Status of Non-Conformities Previously Identified

	The stage 1 audit findings have been reviewed, in particular to assure appropriate corrective actions implemented to address the identified audit findings.
	The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have implemented to address any nonconformity identified.
	The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have not been implemented effectively. The non-conformity will be re-raised.
X	No non-conformity raised in previous audit.
<p><i>Note 1: If a minor non-conformity raised in last audit, is not closed out or repeated, the finding will be raised to a Major non-conformity.</i></p> <p><i>Note 2: All major and minor NCs raise in last audit are required to capture in this report together with the review of the non-compliance implementation.</i></p>	

4.6. Detail of Audit Findings in last audit

AUDIT OUTCOME		
During last Audit	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

4.7. Detail of Onsite Audit Findings Identified during this audit

This section gives an overview of the non-conformities raised during this audit.

ONSITE AUDIT OUTCOME		
During this onsite audit,	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

Nr.	Indicator	Description	Location	Opportunity for Improvement
1.	4.1.4.1	The action plan for continual improvement shall be based on consideration of the main	Office	KPBSB could improve on CIP updated.

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Nr.	Indicator	Description	Location	Opportunity for Improvement
		social and environmental impact and opportunities of the company.		
2.	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.	Office	KPBSB could improve monitoring of updated or any regulations coming into force.
3.	4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.	Office	KPBSB could improve on environmental meeting agenda.
4.	4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	Field	KPBSB could improve on wastes segregation at designated landfill.
5.	4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	Field	KPBSB group could improve on the following activities; <ul style="list-style-type: none"> - Weeds management / Epiphytes

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5. CONCLUSION

Koperasi Pembangunan Bersatu Sandakan Berhad has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct Recertification audit consisting of one estate according to MSPO 2530-3:2013 Part 3 General Principles for Oil Palm Plantations and Organised Smallholders.

From the review of the standard operating procedures, relevant forms, work flow charts established and implemented; the subsequent background investigation and interviews conducted during this surveillance audit have provided TUV NORD Malaysia with sufficient evidence on the fulfilment of the applied standard Principles & Criteria.

In conclusion the certified unit has been established, implemented and continued to improve in managing the estates are in line with the Principles & Criteria of the applied standards of MS 2530-Part 3:2013 General Principles for Oil Palm Plantations and Organised Smallholders.

Any audit is based on sampling within an organization’s management system and therefore is not a guarantee of 100 % conformity with requirements.

As a result of this audit, the audit team confirms that

Total certified number of estate(s):	1	
Total certified production area:	472.60	Ha
Certified FFBs January to October 2024:	5,620.86	Mt
Project FFBs November to December 2024:	1,150	Mt

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Mode of Audit: Onsite

6. RECOMMENDATION

The audit team conduct a process-based audit focussing on significant aspects/risks and objectives required by the standard(s). The audit methods used are interviews, observations, sampling of activities, review of documentation and records.

The structure of the audit is in accordance with the audit plan included in this summary report as annex.

The audit team concludes that the organisation has established and maintained its management system in line with the requirements of the standard(s) and demonstrated the ability of the system to achieve requirements for products and/or services within the scope and the organisation’s policies and objectives.

Therefore the audit team recommends that, based on the results of this audit and the system’s demonstrated state of development and maturity that this management system certification be

<input checked="" type="checkbox"/>	Recommended for Recertification
<input type="checkbox"/>	Recommended for Continuity of Certification
<input type="checkbox"/>	Recommended for Suspension of Certification

Puchong, 17/12/2024



Muhammad Khairul Anuar
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 13/01/2025



Mohamad Norhisham Bin Mohd Salleh
TUV NORD (Malaysia) Sdn Bhd
Certifier / Approver

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7. LIST OF STAKEHOLDERS

Stakeholders' consultation conducted in accordance to ACB – OPMC 4 Issue 2 dated 04/09/2020, Stakeholder Consultation Requirements Section 6: Consultation during audit, §6.1: During the stage 2 and recertification audit.

Table 7-1: List of Interviewed Stakeholders

No.	Organisation
1	Chok Nyuk Han (FFB Transporter)

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Distribution / Confidentiality / Rights of ownership / Limitations / Responsibilities / Audit Objectives

This report is sent by the certification body to the members of the audit team and the audit representative of the organisation. All documents (such as this report) regarding the certification procedure are treated confidentially by the audit team and the certification body. This audit report remains the property of the certification body.

An audit is a procedure based on the principle of random sampling and cannot cover each detail of the management system. Therefore nonconformities of weaknesses may still exist which were not expressly mentioned by the auditors in the final meeting or in the audit report.

The responsibility for continuous effective operation of the management system always rests solely with the audited and certified organisation.

Salvo clause:

The audit report will be left to the organisation at the end of the audit - subject to approval by the certification body. The independent release process may cause modifications or additions. In these cases a modified revision will be sent to the audited organisation.

The objective (goal) of the audit is to establish compliance of the management system of the aforementioned organization with the requirements of the aforementioned standard in order to achieve or maintain certification through an independent and accredited certification body. Identification of possibilities to improve the management system can also be a component of the audit and is considered simply to be an enhancement; it does not constitute consultancy or advice with regard to the management system.

Annex / Enclosures

Annex / corresponding audit documentation	<input checked="" type="checkbox"/> P&C Audit Report / Checklists <input checked="" type="checkbox"/> Audit Plan
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