

PUBLIC SUMMARY REPORT



MS 2530-3:2013

Malaysia Sustainable Palm Oil (MSPO)

**Part 3: General Principal for Oil Palm Plantations and
Organised Smallholders**

NAME OF CLIENT: HUP GUAN ESTATE SDN BHD

STANDARD: MS 2530:2013-3

INITIAL AUDIT DATE STAGE 1: 5 October 2019

INITIAL AUDIT DATE STAGE 2: 15-16 November 2019

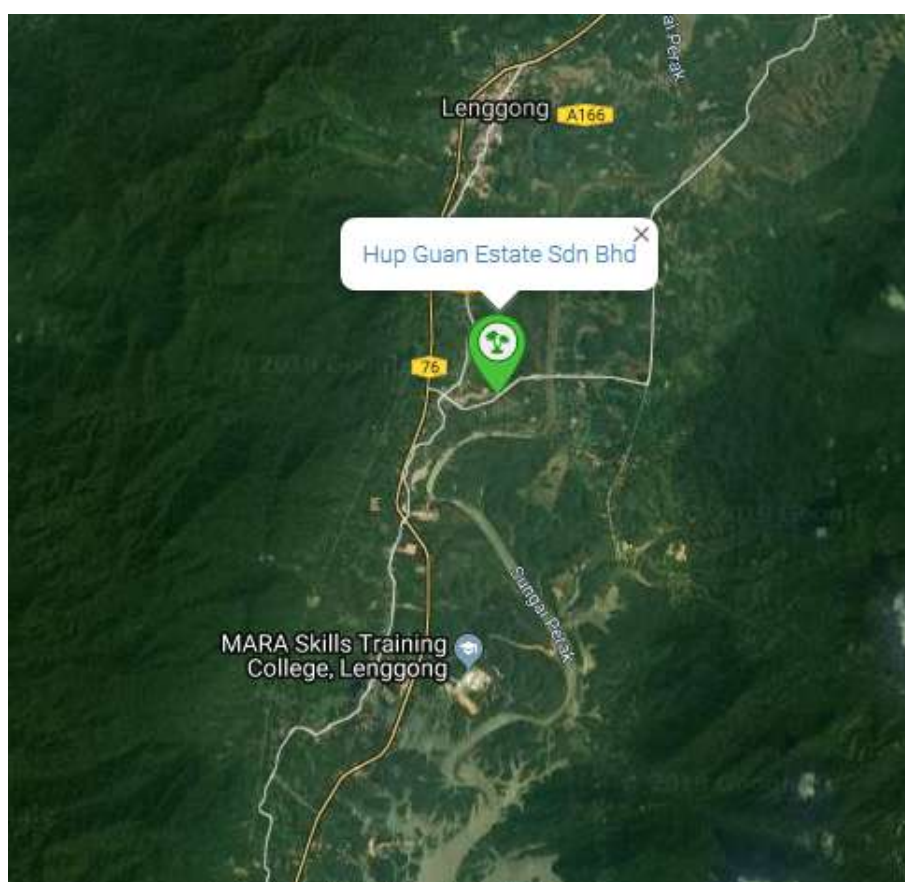
TABLE CONTENT

| No. | Content | Page |
|-----|--|------|
| 1. | Detail of Certification Assessment | 3 |
| | -Type of Certification Assessment | 3 |
| | -Scope of MSPO Certification | 3 |
| | -MSPO Standards used for the Assessment | 3 |
| | -Map with geographical coordinate. | 3 |
| 2. | Details of The Certified Entity | 4 |
| | -Name of Certified Entity | 4 |
| | -Main Address | 4 |
| | -Management and contact person's details | 4 |
| | -MPOB License | 4 |
| | -Estimated Tonnages of Annual FFB Production | 4 |
| | -Date of Certificate Issued and validity | 4 |
| | -Total Certified Area | 4 |
| 3. | Assessment Process | 5 |
| | -Certification Bodies | 5 |
| | -Audit Plan | 6 |
| | -Audit 5 Year Cycles | 8 |
| 4. | Summary of Audit Results | 8 |
| | -Lead Auditor's Summary and Recommendation for Certification | 8 |
| | -Issues raised during Stakeholder Consultation | 9 |
| | -Reponses by Certified Entities | 10 |
| 5. | Official Signed-Off of The Assessment Findings | 10 |

1. DETAIL OF CERTIFICATION ASSESSMENT

| | |
|--|--|
| Type of Certification Assessment | Main Assessment |
| Scope of MSPO Certification | Oil Palm Plantations and Organised Smallholders |
| MSPO Standards used for the Assessment | MS 2530-3:2013 – General principles for oil palm plantations and organised smallholders |

Map with geographical coordinate.



2. DETAILS OF THE CERTIFIED ENTITY

| | | |
|--|---------------------|---|
| Name of Certified Entity | | Hup Guan Estate Sdn Bhd |
| Main Address | | Lot 3548, Mukim Temelong, Hulu Perak, Perak. |
| Management and contact person's details | Name: | Mr. Hu |
| | Phone Number : | +6012 5870666 |
| | Fax Number: | - |
| | Email Address: | deric_hu@yahoo.com |
| MPOB License | MPOB License's No.: | 503467402000 |
| | Expiry date: | 29.02.2020 |
| Estimated Tonnages of Annual FFB Production | | - |
| Scope of Activity | | Production of Sustainable Fresh Fruit Bunches (FFB) |
| Date of certificate issued and validity | | 27 December 2019 until 26 December 2024 |
| Other sustainability certifications | | N/A |

| Certified Area | | |
|-------------------------|---------------------------|------------------------|
| Estates | Total Planted Area | Total Area (Ha) |
| Hup Guan Estate Sdn Bhd | 69.57 | 69.57 |

3. ASSESSMENT PROCESS

Certification Bodies

| No | Audit Team Members | Role | Qualifications |
|----|--|-----------------|--|
| 1 | Mr. Rizal Ahmad Nazim bin Abd Raof (RAN) | Lead Auditor | Graduate qualification in Forestry Science with 15 years working experience in palm oil Plantation Industry. Involved directly in various Palm Oil Sustainability Certification since 2008. Well trained in similar agriculture certification programme such as RSPO and MSPO. Attended various leadership, environmental, quality and safety training courses, seminar and programmes. Involved as a Representative for organized smallholders in RSPO working group. Completed Integrated QESH (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018) Lead Auditor in several certifications such as RSPO and MSPO etc. Able to speak and understand Bahasa Malaysia and English. |
| 2 | Mr. Wan Muhamamad Shafri bin Wan Ramli (WMS) | Trainee Auditor | Post graduate qualification in Bachelor of Science (Hons) Plantation Technology and Management with 3 years working experience in manufacturing and plantation. Completed ISO 9001:2015 lead auditor course in January 2017. |

Audit Plan

| DATE | TIME | SUBJECT | AUDITOR |
|---------------------------------|----------------|--|---------|
| 15 November 2019 (Friday) | 09:00 – 010:00 | Centralize Opening Meeting at Hup Guan Estate Sdn Bhd: <ul style="list-style-type: none"> Presentation by the manager/coordinator Presentation by Lead Auditor. <p>➤ Confirmation of assessment scope and finalize Audit Plan (including stakeholder consultations where applicable)</p> | RAN/WMS |
| | 10:00 – 12:00 | Hup Guan Estate Sdn Bhd <p>➤ Document Audit:</p> <ul style="list-style-type: none"> Documents review P1 – P3 (part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement The stakeholder consultation will be held along the audit process <p>➤ Stakeholder Consultation</p> | RAN/WMS |
| | 12:00-13:00 | Lunch | |
| | 13:00-17:00 | <p>➤ Document Audit:</p> <ul style="list-style-type: none"> Document review P4-P6 (part 3), P4: Social Responsibility, health, safety and Employment Conditions P5: Environment, natural resources, biodiversity and ecosystem service. P6: Best Practices <p>End of Day 1</p> | RAN/WMS |

| DATE | TIME | SUBJECT | AUDITOR |
|-----------------------------------|---------------|--|---------|
| 16 November 2019 (Saturday) | 09:00 – 12:00 | Hup Guan Estate Sdn Bhd <ul style="list-style-type: none"> ➤ Field inspection: Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. ➤ Verify any outstanding issues, auditor discussion. | RAN/WMS |
| | 12:00 – 13:00 | Lunch | |
| | 13:00 – 15:00 | Centralize Closing Meeting at Hup Guan Estate Sdn Bhd estate: <ul style="list-style-type: none"> ➤ Chaired by the audit Lead Auditor <ul style="list-style-type: none"> • Welcome and introduction by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor End of Assessment | RAN/WMS |

Audit 5 Year cycles for Hup Guan Estate Sdn Bhd

| Estates | 1 st Year | 2 nd Year | 3 rd Year | 4 th Year | 5 th Year |
|-----------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Hup Guan Estate | ✓ | ✓ | ✓ | ✓ | ✓ |

4. SUMMARY OF AUDIT RESULTS

Lead Auditor's Summary and Recommendation for Certification

The audit team led a procedure that put together review focussing on viewpoints/dangers and targets required by the standard(s). The review techniques used were interviews, perceptions, inspecting of exercises and survey of documentation and records. The structure of the audit was in accordance with the audit plan included in to this summary report.

The audit team reviewed that the association has built up and kept up its administration framework in accordance with the prerequisites of the standard(s) and showed the capacity of the framework to accomplish necessities for items as well as administrations inside the extension and the association's strategy and targets. Subsequently, the audit team suggests that, in view of the consequences of this review and the framework's shown condition of improvement and development that this administration framework accreditation to be:

| | |
|-------------------------------------|--|
| <input type="checkbox"/> | No NCR recorded. Recommended certification |
| <input checked="" type="checkbox"/> | Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit |
| <input checked="" type="checkbox"/> | Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out. |
| <input checked="" type="checkbox"/> | Recommended to continue certification |
| <input type="checkbox"/> | Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but cannot fully accepted by the audit team. NCR(s) have not been closed out within 90 days of the audit. Recommended for suspension of the certificate |

| Audit Outcome | |
|-----------------------------------|---|
| Major NC | 1 |
| Minor NC | 1 |
| Area of Concern (AOC) | 0 |
| Opportunity for Improvement (OFI) | 0 |
| Observation (OBS) | 0 |

Issues raised during Stakeholder Consultation:

A stakeholders' consultation meeting was conducted on 15th November 2019 to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements.

The subject of discussion are as below:

- a. Introduction
- b. Development of oil palm plantations
- c. Community service and support provided wildlife management and wildlife corridor
- d. Type of wildlife sighted.
- e. Local communities' development.
- f. Safety and Health

The following relevant subject have been discussed during the stakeholders' consultation

| Subject Discussed | Response and Action taken by Company |
|------------------------|--------------------------------------|
| No issues were raised. | |

Responses by Certified Entities:

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document .

I also confirm:

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

Acknowledged by:

Name: GOH CHIAN WEN

Position: DIRECTOR

Date: 26.12.2019



Signature

5. OFFICIALS SIGNED-OFF OF THE ASSESSMENT FINDINGS

Prepared by:



(Lead Auditor)

Date
26.12.2019

**Accepted by
client:**



(Director)

Date
26.12.2019

-End of Report-