



Assessment Report

Date: 19th February to 22nd February

2019

[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the MSPO standard and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances.]

MSPO 2530:2013
Part 3

| | |
|-----------------|--|
| Company name | Prosper Group Company Prosper Estate Group |
| Address | Unit 901, Level 9, Wisma Prosper, Block B, Kelana Centre Point, No.3, Jalan SS7/19, Kelana Jaya 47301, Petaling Jaya Selangor. |
| Report no | MS19MM0062 |
| Status of audit | Main Assessment If surveillance NA |

Thank you for your trustful cooperation during our audit of your organization. This report has been prepared of every effort to ensure the accuracy of the information recorded. The assessment is based on sampling on the records, practice, documents and personnel, therefore the final results of the assessment is of representative towards the system implementation of the organization. This report may generated to record as much of the system implementation information but may still limited due to the sampling .This report details the assessment results including strengths, opportunities, and weaknesses. These results were presented to your management at the closing meeting of the audit. You can use these results to improve the effectiveness of your management system. We look forward to continuing our partnership towards sustainable business success. This report has been prepared in compliance to the ISO 17021:2011 requirements.

To ensure the next assessment will be carry out in compliance to the ISO 17021:2011, please remember to immediately notify CARE Certification International about any significant change to your company at any point of time. Together we will then coordinate appropriate measures to maintain your current certification. Such circumstances include, for example, changes relating to the legal, commercial, organizational status or ownership, organization and management (e.g. key managerial, decision making or technical staff), contact address and sites, scope of operations under the certified management system, and major changes to the management system and processes. Together we CARE and will then ensure the smoothness of the upcoming assessment. Thank you for your persistence of support.

| | | |
|--------|--|--------------------------------|
| | Signed for on behalf of CCI | Signed for on behalf of client |
| Sign |  <hr/> | Name : IC no : |
| Name | Mohammad Hafizuddin Bin Rossley | Company stamp |
| Date | 19-22/2/2019 | |
| Email | admin@cciglobe.com | |
| Fax no | 038073 2688 | |

Section A General Information

| General | |
|----------------------|--|
| Audit objectives | <input checked="" type="checkbox"/> To verify that the system initial implementation is in accordance to requirements of the standard adopted. <input type="checkbox"/> To verify that the system implementation is continuously in accordance to the requirements of the standards adopted. <input type="checkbox"/> To verify that the system implementation is continuously after and in third years of implementation is in accordance to the standards adopted. <input type="checkbox"/> Other, (please specify) |
| Integrate Assessment | No |
| Issue of certificate | Yes |

| Scope of Certification | |
|------------------------------------|---|
| Scope of certification in English | The Provision of Planting and Harvesting of Fresh Fruit Bunch (FFB) By Organised Plantation |
| Requirement not being applicable | P7 - Development of New Planting |
| Justification | The company doesn't have any new planting activities. |
| Other language than above | NA |
| Changes from Previous registration | No |
| Extension/changes of scope date | NA |

| Contact Details | |
|---------------------------------------|------------------------|
| Management Representative | Siew Chan Huo |
| Alternate contacts | |
| Management Representative contact no. | 0176267309 |
| E-mail address | ch.siew@prosper.com.my |
| Fax Number | |
| Fixed Line Number | |
| NO OF SPOC/ GROUP MEMBERS | 9 |

Section B Previous Audit Result

The result of the last audit system have been reviewed, in particular to ensure appropriate correction and corrective action has been implemented to address any nonconformities identified. This review has concluded that:

| | |
|--------------------------|---|
| <input type="checkbox"/> | No nonconformities have been raised during last assessment. |
| <input type="checkbox"/> | Any nonconformities identified during last previous audit have been corrected and the corrective action continuous to be effective. |
| <input type="checkbox"/> | The management system has not adequately addressed non conformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report. |

Section C Conclusion

The audit team conducted a process based audit focusing on significant aspects/risk objectives required by the standard(s). The audit methodology used is based on 3P which were People, Paper and Practice.

The audit team concludes and express

- CONGRATULATION and has
- CONGRATULATION however some processes need to address non-compliance(s) but others has
- SORRY and the organization has not established and maintained its management system in line with the requirements of the standard and

- demonstrated
- not demonstrated

the ability of the system to systematically achieved agreed requirements within the scope of the organizations.

Base on the record, there is/are NIL unresolved issue.

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

- Granted (initial certification or recertification)
- Granted upon the acceptance of the noncompliance(s)
- Continued (surveillance)
- Continued (surveillance) upon the acceptance of the noncompliance(s)
- Withheld
- suspend until satisfactory corrective action(s) is completed
- Others (please specify)

Note :

The assessment and recommendation for the initial or continue was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party.

Section D (For Recertification only)

| | | |
|---|---|--|
| 1 | The company has demonstrated effective implementation and maintenance/improvement on its management system | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2 | The internal audit program has been fully implemented and demonstrates its effectiveness as a tool for maintaining and improving the management system. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3 | The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3 | The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4 | Throughout the audit process, the management system demonstrates overall conformance with the requirements of the audit standard | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Section E Auditor and Auditees Names

| CCI Assessors | Attendance during opening and closing meeting | |
|---------------------------------|---|----------------------------|
| Team leader | Name | Designation |
| Mohammad Hafizuddin Bin Rossley | Mr. Henry Yap | Manager - HQ |
| Team member | Mr. Kelvin Tan | sustainability Head - HQ |
| Zulkifli Kamarol | Mr. Lim Hok Gen | Sr. Visiting Manager |
| Trainee auditor | Shalini A/P S. Subramaniam | Hospital Assistant |
| NA | Pn Noraini bte Mat Layis | Chief Clerk Ladang Tagar 1 |
| Observer | Pn Normaslinah | Chief Clerk Ladang Tagr 2 |
| NA | Mr Abd Rahim | Manager |
| | Mr. K Marappam | Manager |
| | Mr Suten Naidu Asoghan | Sr Assisstan Manager |
| | T. Naresh Kumar | Asisstant Manager |
| | P. Ruguchandro | Assistant Manager |
| | Faiz Othman | Assistant Manager |
| | Mr Siew Chan Huo | Sustainability Executive |

Section F Audit Process Matrix

Next Audit Matrix (legend "☒" plan to cover & covered, "☐" for uncover)

| Planned month & year | 02/2019 | 02/2020 | 02/2021 | 02/2022 | 02/2023 |
|---|---------|---------|---------|---------|---------|
| Internal Audits | ☒ | ☒ | ☒ | ☒ | ☒ |
| Stakeholder consultation / survey | ☒ | ☒ | ☒ | ☒ | ☒ |
| Use of logo | ☒ | ☒ | ☒ | ☒ | ☒ |
| Follow-up from previous audit finding | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1 Management Commitment & Responsibility | | | | | |
| 4.1.1 MSPO Policy | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.2 Internal audit | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.3 Management Review | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.4 Continual Improvement | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2 Transparency | | | | | |
| 4.2.1 Transparency of information and documents relevant to MSPO requirements | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2.2 Transparent method of communication and consultation | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2.3 Traceability | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.3 Compliance to legal requirements | | | | | |
| 4.3.1 Regulatory requirements | ☒ | ☒ | ☒ | ☒ | ☒ |

| | | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| 4.3.2 Land use rights | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.3.3 Customary rights | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.4 Social responsibility, health, safety and employment condition | | | | | |
| 4.4.1 Social impact assessment (SIA) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.4.2 Complaints and grievances | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.4.3 Commitment to contribute to local sustainable development | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.4.4 Employees safety and health | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.4.5 Employment conditions | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.4.6 Training and competency | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.5 Environment, natural resources, biodiversity and ecosystem services | | | | | |
| 4.5.1 Environmental management plan | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.5.2 Efficiency of energy use and use of renewable energy | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.5.3 Waste management and disposal | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.5.4 Reduction of pollution and emission | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.5.5 Natural water resources | | | | | |
| 4.5.6 Status of rare, threatened, or endangered species and high biodiversity value area | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.5.7 Zero burning practices | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.6 Best Practices | | | | | |
| 4.6.1 Site management | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.6.2 Economic and financial viability plan | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.6.3 Transparent and fair price dealing | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4.6.4 Contractor | | | | | |
| 4.7 Development of new planting | | | | | |
| 4.7.1 High biodiversity value | <input type="checkbox"/> NA | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.7.2 Peat land | <input type="checkbox"/> NA | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.7.3 Social and Environmental Impact Assessment (SEIA) | <input type="checkbox"/> NA | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.7.4 Soil and topographic information | <input type="checkbox"/> NA | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.7.5 Planting on steep terrain, marginal and fragile soils | <input type="checkbox"/> NA | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.7.6 Customary land | <input type="checkbox"/> NA | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Assessment man days for the next assessment : 6_md. Recertification: 2/2023

Note: Recertification should be carry out minimum 2 months prior to the expiry of the certificate

Section G Audit Summary

Summary of Area Audited

| BUSINESS AREAS | DETAILS OF AUDITED SUMMARY | |
|---|----------------------------|------|
| Auditor | Date | Time |
| HF | 19-22/2/2019 | 8.30 |
| Opening Meeting | | |
| a) introduction of the participants, including an outline of their roles; b) confirmation of the scope of certification; c) confirmation of the audit plan (including type and scope of audit, objectives and criteria), any changes, and other relevant arrangements with the client, such as the date and time for the closing meeting, interim meetings between the audit team and the client's management; d) confirmation of formal communication channels between the audit team and the client; | | |

- e) confirmation that the resources and facilities needed by the audit team are available;
- f) confirmation of matters relating to confidentiality;
- g) confirmation of relevant work safety, emergency and security procedures for the audit team;
- h) confirmation of the availability, roles and identities of any guides and observers;
- i) the method of reporting, including any grading of audit findings;
- j) information about the conditions under which the audit may be premature terminated;
- k) confirmation that the audit team leader and audit team representing the certification body is responsible for the audit and shall be in control of executing the audit plan including audit activities and audit trails;
- l) confirmation of the status of findings of the previous review or audit, if applicable;
- m) methods and procedures to be used to conduct the audit based on sampling;
- n) confirmation of the language to be used during the audit;
- o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns;
- p) opportunity for the client to ask questions.

Closing Meeting

- a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty
- b) the method and timeframe of reporting, including any grading of audit findings;
- c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;
- d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;
- e) the certification body's post audit activities;
- f) information about the complaint handling and appeal processes.
- g) Any diverging opinion that are not resolved.
- h) opportunity for the client to ask questions.

Executive Summary

The audit was based on the MSPO2503:2013 Part 3 Standard, procedure and applicable requirements. There is no issue during the 1st Stage Audit conducted on 13-14/12/2018 and found all the required document, procedure and form are available.

The audit are planned follow the audit plan which consist of documentation review and site visit which total days of audit is 4 days. Total mandays for audit at PPPNP is 7 mandays. meanwhile the stakeholders consultation was held with 1 mandays. For Prosper Estate Group consist of 9 estate as per below :

1. Ladang Tagar 1
2. Ladang Tagar 2
3. Ladang Tagar 3
4. Ladang Perhentian Tinggi
5. Ladang Chembong
6. Ladang Batu Sablas
7. Ladang Grancia
8. Ladang Sg Branang
9. ladang Tg. Tualang

Calculation of sampling

Stage 2 audit was held on 19-22/2/2019 where the sample size of the audit is 5 estates. The calculation of the sample size determination are as below:

$$S = \sqrt{n} (RF)$$

S= sample size, n= number of estate, RF= Risk Factor

$$S = \sqrt{9} (1.5) = 3 \times 1.5 = 4.5$$

S= 5 estates

Base on sampling 5 estate were selected for this assessment . Below are the estates name which been selected for the assessment :

1. Ladang Tagar 1
2. Ladang Tagar 3
3. Ladang Perhentian Tinggi
4. Ladang Chembong
5. Ladang Batu Sablas

The audit was lead by Mr Mohammad Hafizuddin who are have almost 8 years in the sustainable certification and other management system certification such as RSPO, ISCC, ISO 14001, ISO9001 etc and also attended the MSPO Lead Assessor Course conducted by SIRIM. The Co auditor :

1. Mohamad Hafis Mustafa as an Auditor for Law Aspects, Biodiversity Conservation, Social Aspect, Employee Welfare, etc
2. Zulkifli Kamarol as Auditor for Good Practice in Plantation Management and Palm Oil Mill and New Planting Plantation.

The Stakeholder consultation was conducted by Mr. Zulkifli Kamarol.

Stakeholder Consultation

During audit on 19/02/2019, Care Certification International has interviewed random stakeholder for the response toward estate. Stakeholder interviewed as below:

1. K.Mariappan (Ladang Pakat Kukuh Sdn Bhd-neighbouring estate).
2. R.Ganesh (Contractor-electrical and water).
3. M.Rajindran (Contractor-harvesting) .
4. Lim Bon Seng (Supplier-agriculture input).
5. Nor Sharmila Binti Sakraraman (Woman workers representative)

Issues discussed such:

1. Complaint

There is no complaint has been raised during stakeholder consultation. All Stakeholder understand the grievances procedure practices by the management.

2. Positive Practice by Estate

- Estate management conducted "Sambutan Hari Kemerdekaan" every year and all workers, supplier, contractor and community surrounding estate had attend this ceremony.
- Donation to Persatuan Belia Hindu every year for Thaipussam Festival.
- Personal Protective Equipment (PPE) provided to all workers including contractor workers.
- Estate management dealt with stakeholder professionally with full cooperation given to solve any issue raised.
- Reconstruction labour quarters by stages.

In conclusion, the stakeholder meeting was undergone successfully with no complaint and as stakeholder they aware on the requirement of MSPO and detail on MSPO such estate complaint procedure, requirement with act for contractor, agreed to be audited by MSPO auditor & etc.

Estates Information

LIST OF GROUP MEMBERS

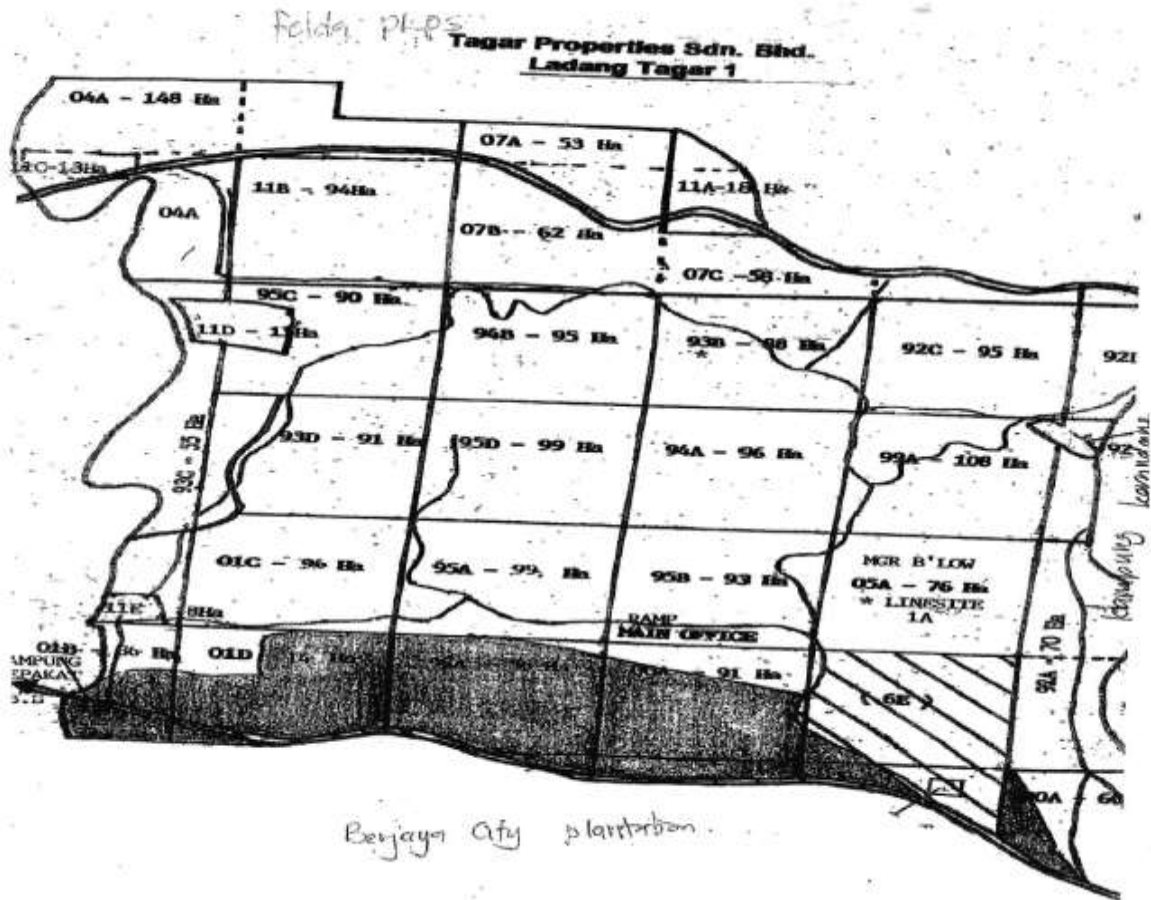
1. ESTATE INFORMATION

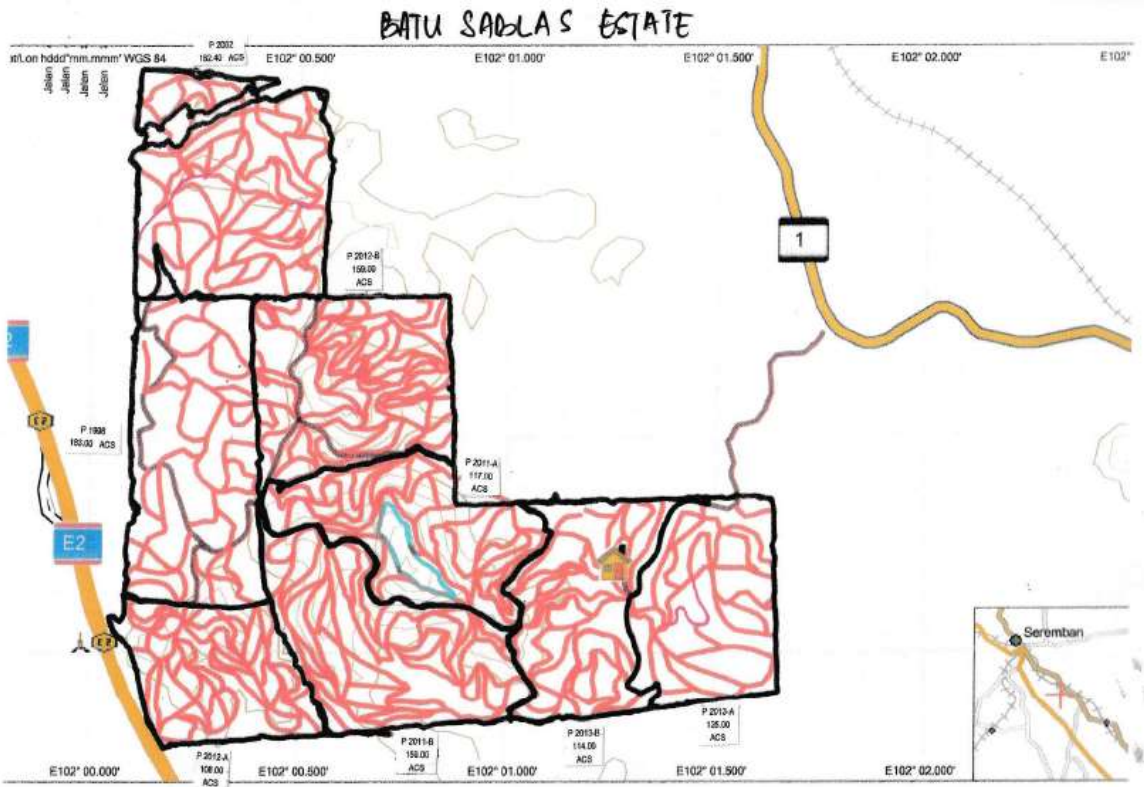
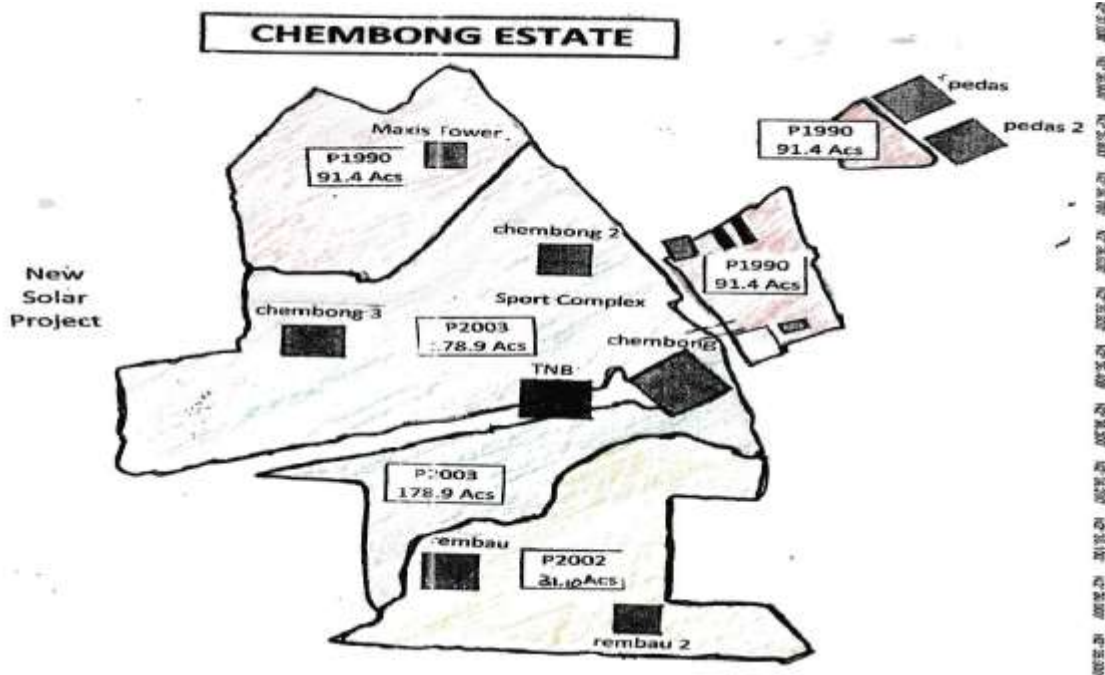
| NAME OF ESTATE | LOCATION | COORDINATE |
|--------------------------|-------------------------------|---|
| Ladang Tagar 1 | Bukit Tagar, Selangor | LONGITUDE : 101.495276 LATITUDE : 3.504861 |
| Ladang Tagar 2 | Bukit Tagar, Selangor | LONGITUDE : 101.450810 LATITUDE : 3.417355 |
| Ladang Tagar 3 | Bukit Tagar, Selangor | LONGITUDE : 101.450810 LATITUDE : 3.417355 |
| Ladang Perhentian Tinggi | Sungai Gadut, Negeri Sembilan | LONGITUDE : 102.025372 LATITUDE : 2.653411 |
| Ladang Chembong | Rembau, Negeri Sembilan | LONGITUDE : 102.066738 LATITUDE : 2.608981 |
| Ladang Batu Sablas | Rembau, Negeri Sembilan | LONGITUDE : 102.021263 LATITUDE : 2.629205 |
| Ladang Grancia | Lenggeng, Negeri Sembilan | LONGITUDE : 101.9208370 LATITUDE : 2.9001020 |
| Ladang Sg. Beranang | Lenggeng, Negeri Sembilan | LONGITUDE : 101.55495 LATITUDE : 2.53126 |
| Ladang Tg. Tualang | Tanjung Tualang, Perak | LONGITUDE : 101.050238 LATITUDE : 4.285307 |

1. AREA STATEMENT AND FFB FORECAST

| ESTATE | TOTAL AREA (HA) | PLANTED AREA (HA) | FFB TON/ YEAR (mt) (Jan-Dec 2018) | YIELD/ Ha (Jan-Dec 2018) (MATURE ONLY) | REMARKS |
|--------------------------|------------------------|----------------------------|--|---|-------------------------------|
| Ladang Tagar 1 | 1851.00 | 1791.00 | 32499.79 | 18.150 | - |
| Ladang Tagar 2 | 778.97 | 641.86 | 10175.43 | 16.960 | Felled 100.02Ha in April 2018 |
| Ladang Tagar 3 | 1685.52 | 1552.20 | 26605.50 | 21.110 | Felled 118.00Ha in June 2018 |
| Ladang Perhentian Tinggi | 736.08 | 714.20 | 13283.99 | 21.448 | Felled 94.54Ha in May 2018 |
| Ladang Chembong | 121.97 | 121.97 | 2714.26 | 22.250 | - |
| Ladang Batu Sablas | 464.34 | 464.34 | 8223.04 | 17.700 | - |
| Ladang Grancia | 204.99 | 204.99 | 2596.30 | 24.160 | Felled 50.99Ha in May 2018 |
| Ladang Sg. Beranang | 517.00 | 265.07 (OP) 118.07 (RB) | 6365.29 | 20.970 | Felled 73.65Ha in May 2018 |
| Ladang Tg. Tualang | 397.59 | 396.58 | 10182.61 | 25.676 | - |
| TOTAL | 6757.46 | 5887.14 | 112646.20 | | |

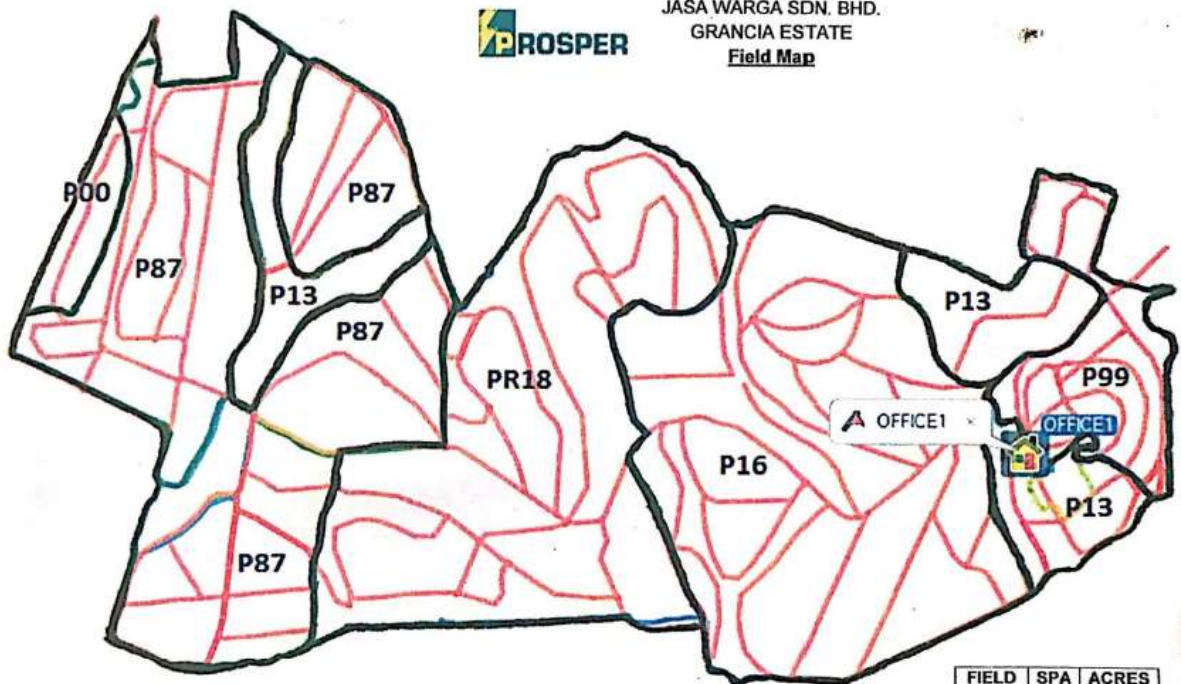
ESTATE MAPS







JASA WARGA SDN. BHD.
GRANCIA ESTATE
Field Map



| FIELD | SPA | ACRES |
|--------------|-----------|---------------|
| P87 | 52 | 135.78 |
| P99 | 55 | 32.12 |
| P00 | 55 | 10.00 |
| P13 | 55 | 52.76 |
| P16 | 55 | 149.86 |
| PR18 | 55 | 126.02 |
| TOTAL | 55 | 506.54 |

INISIATIF JAYA SDN. BHD.
SUNGEI BERANANG ESTATE

