

TRANS CERTIFICATION & INSPECTION SDN. BHD.



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PUBLIC SUMMARY REPORT

MS 2530-4:2013

Malaysia Sustainable Palm Oil (MSPO)

Part 4: General Principal for Palm Oil Mills

**NAME OF CLIENT: KUMPULAN PERLADANGAN PKINK
BERHAD – TAPIS PALM OIL MILL**

STANDARD: MS 2530-4:2013

RECERTIFICATION ASSESSMENT

DATE: 16 OCTOBER 2023

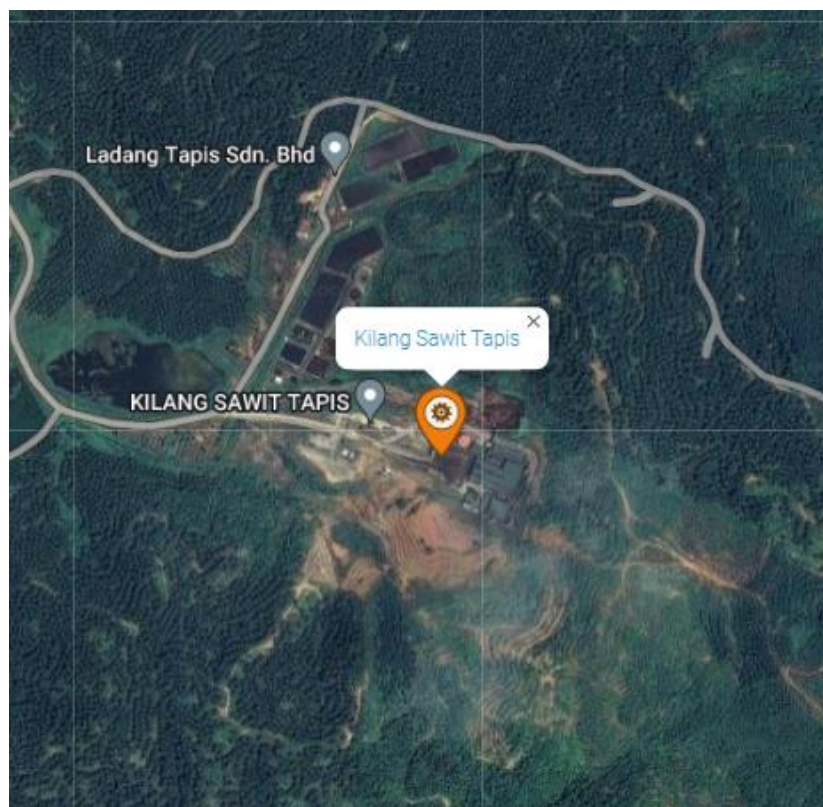
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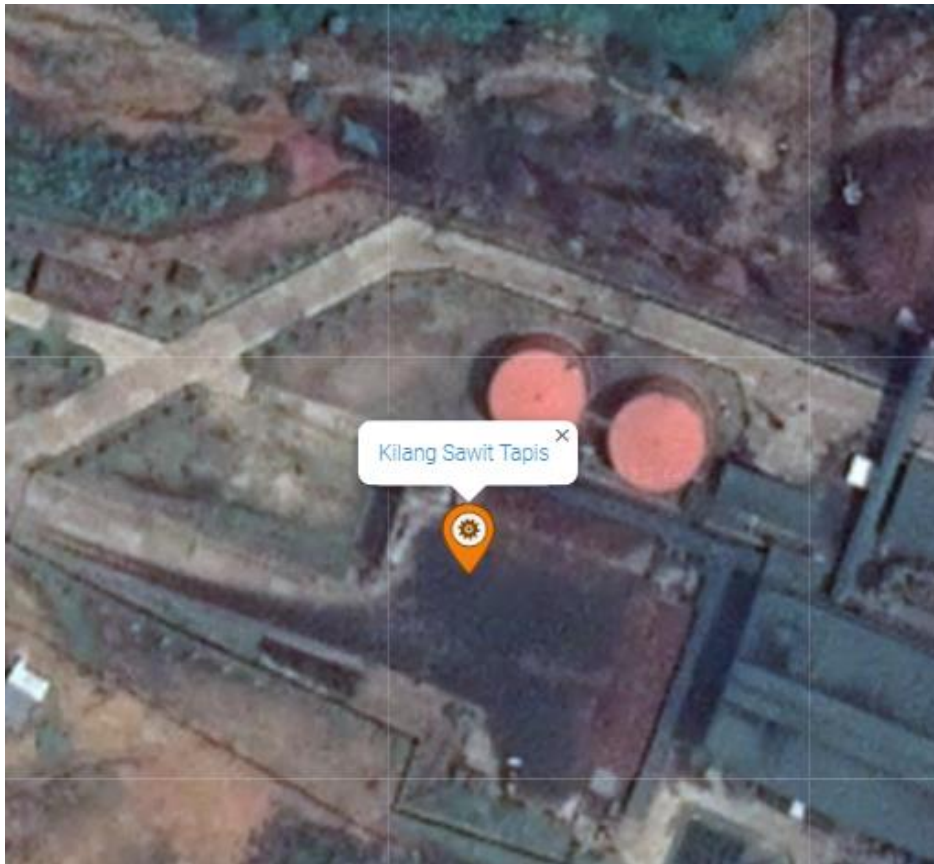
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1. DETAIL OF CERTIFICATION ASSESSMENT

| | |
|---|---|
| Type of Certification Assessment | Recertification Assessment |
| Audit Objectives | <ol style="list-style-type: none"> 1. Determination of the non-conformity of the client's management system, or parts of it, with audit criteria 2. Determination of the ability of the management system to ensure client meets applicable statutory, regulatory and contractual agreement 3. Determination of the effectiveness of the management system to ensure client can reasonably expect to achieve it specific objective 4. Identification of area for improvement of the management system, as if applicable |
| Scope of MSPO Certification | Palm Oil Mill |
| MSPO Criteria and Standards used for the Assessment | MS 2530-4:2013 – General principles for palm oil mills |

Map with geographical coordinate





2. DETAILS OF THE CERTIFIED ENTITY

| | | |
|--|---------------------|--|
| Name of Certified Entity | | KUMPULAN PERLADANGAN PKINK BERHAD – TAPIS PALM OIL MILL |
| Main Address | | PT 2381, Mukim Bunga Tanjong, 17610 Kuala Balah, Jeli, Kelantan Darul Naim |
| Management and contact person's details | Name: | Mr. Mohamad Muslim Bin Salleh |
| | Phone Number : | - |
| | Fax Number: | - |
| | Email Address: | - |
| MPOB License | MPOB License's No.: | 608368004000 |
| | Expiry date: | 29.02.2024 |
| Estimated Tonnages of Annual FFB Production | | - |
| Scope of Activity | | Production of Sustainable Palm Oil and Palm Oil Products |
| Date of certificate issued and validity | | 26 November 2023 until 25 November 2028 |
| Other sustainability certifications | | N/A |

| Certified Area | | |
|-----------------------|-------------------------------------|-----------------------|
| Mill | Coordinates | Total Capacity |
| Tapis Palm Oil Mill | N 5° 30' 24.4", E 101° 56' 01.4" | 30 Mt/Hr |

3. ASSESSMENT PROCESS

3.1 Certification Bodies

| No | Audit Team Members | Role & Principles Audited | Qualifications |
|----|------------------------------------|---------------------------------------|--|
| 1 | ERMADASILA B MOHAMAD [EBM] | Lead Auditor Principle: 3 | Post graduate qualification in Master in Science (MSc) by Research with 7 years working experience in Lecturer and manufacturing activities. Lecturer in Applied Science Faculty, University Teknologi MARA Cawangan Pahang since 2014, expert in Biodiversity and Environmental assessment. Completed Malaysian Sustainable Palm Oil Lead Auditor course in 2017. |
| 2 | AZMI B ADNAN [AA] | Auditor In Training Principle: 1 4 | Holds degree in Economics from University of Malaya (UM) in 1998 with 20 years working experience of managing oil palm plantations with expertise in Good Agriculture Practices (GAP). Completed Malaysian Sustainable Palm Oil Lead Auditor course in 2019. |
| 3 | WAN MOHD AZLAN B WAN NGAH [WMA] | Auditor Principle:5 | Post graduate qualification in Business Administration with 33 years working on palm oil industries. Experience in establish and maintained palm oil nursery, estate administrative, Occupational Safety and Health (OSH), and RSPO. Completed and certified MSPO Auditor course in 2017 held by SIRIM STS Member of TCI MSPO Audit team. Able to speak and understand Bahasa Malaysia and English |
| 4 | NURUL BASYIRAH BT BAHRUM [NBB] | Auditor Principle:2 6 | Graduate in Bachelor of Science Forestry (Forest Plantation and Agroforestry) at University Malaysia Sabah. Completed in MSPO 2530:2013 Auditors Training Course, Integrated Management System (IMS) ISO 9001:2015 & ISO 14001:2015 Lead Auditor Training & etc. Able to speak and understand in Bahasa Malaysia and English. |
| 5 | KAMAL ARIFFIN B MAT PIAH [KA] | Observer | Post graduated qualification in Master in Science (MSc) at Moscow Aviation Institute, National Research University (MAI), and Russia. Experience on Consultation Assistant in preparing the documents in various certification including MSPO, ISO 37001, ISO 45001, ISO 9001, etc. Able to speak and understand in Bahasa, English and Russian. |

3.2 Audit Plan

Audit Agenda

| DATE | TIME | SUBJECT | AUDITOR |
|--|---------------|---|-----------------------|
| 16 th October 2023 (Monday) | 09:00 – 09:30 | Centralize Opening Meeting at Kilang Sawit Tapis: <ul style="list-style-type: none"> Presentation by the manager/coordinator Presentation by Lead Auditor. <p>➤ Confirmation of assessment scope and finalize Audit Plan (for <i>Main Assessment Audit</i>, the stakeholder consultations shall be held along the audit progress)</p> | EBM/AA/WMA/ KA/NBB |
| | 09:30 – 12:00 | Kilang Sawit Tapis <p>➤ Site inspection (Part 4): Verify overall mill process including incoming material, sterilizer section, pressing, CPO & PK storage, Boiler & genset etc.</p> <p>➤ Non-conformity Verification for Previous Year Audit</p> <p>➤ Verify any outstanding issues, auditor discussion.</p> <p>➤ Stakeholder Consultation Stakeholder consultation made with the stakeholder such as Palm oil plantation, contractor, government agency nearby estates and nearby villagers.</p> | EBM/AA/WMA/ KA/NBB |
| | 12:00 – 13:00 | Kilang Sawit Tapis <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, | EBM/AA/WMA/ KA/NBB |

| | | | |
|--|---------------|---|-----------------------|
| | 13:00 – 14:00 | Lunch | ALL |
| | 14:00 – 16:30 | Kilang Sawit Tapis <ul style="list-style-type: none"> ➤ Document Audit: <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 | EBM/AA/WMA/ KA/NBB |
| | 16:30-17:00 | Centralize Closing Meeting at Kilang Sawit Tapis: <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 • Question & answers and Final Summary by Lead Auditor <p>End of Assessment.</p> | EBM/AA/WMA/ KA/NBB |

3.3 Proposed Date of Next Surveillance Audit

| Date of next ASA | |
|---|-------------|
| The provisional date for the next ASA is: | August 2024 |

3.4 Audit 5 Year Audit Programme for Tapis Palm Oil Mill

| Mill | Recert | 2 nd Year | 3 rd Year | 4 th Year | 5 th Year |
|---------------------|--------|----------------------|----------------------|----------------------|----------------------|
| Tapis Palm Oil Mill | ✓ | ✓ | ✓ | ✓ | ✓ |

4. SUMMARY OF AUDIT RESULTS

4.1 Lead Auditor's Summary and Recommendation for Certification

This on-site assessment was conducted from the **16th of October 2023**. The audit program is included on the Audit Agenda. The approach to the audit was to treat the Syarikat Perladangan PKINK Bhd. – Kilang Sawit Tapis as an MSPO Certification Unit. A range of environmental and social factors was covered. This includes consideration of site verification several section such as sterilizer, water treatment plant, boiler, effluent pond, etc.

During the audit process, the auditor conducted extensive interviews with the management, members of the employees' union and committees taking place in a formal and informal environment and interviews employees were conducted. During the site inspection, it is seen on the sample of all sites in excellent condition. In terms of best practices estate management is in accordance with the SOPs set by the company and complies with the requirements of the MSPO. The audit team has confirmed that the permit documents and passports of the employees are still valid. The management was also found to constantly monitor established KPIs/objectives that significantly command the achievements of the company's corporate policy. Audit team members are satisfied with the documentation prepared by the estate management it was easy to be looking and verified during the audit time,

During the audit, several non-conformities were raised. There were 2 minor non-conformities raised during the audit. Since there are minor non-conformities PKINK representatives have addressed a proper action plan to close the minor non-conformities to ensure their certification can be continued.

The audit team conducts the audit based on the sampling process of the available information process of the available information.

4.2 Claim - Verification and Use of Marks/Logo (MSPO, TCI or MPOCC Logo)

Based on the on-site audit process of STAGE 2 (RECERTIFICATION ASSESSMENT) KUMPULAN PERLADANGAN PKINK BERHAD – TAPIS PALM OIL MILL, through visibility and interviews with management representative. It has been confirmed that the management does not use Marks/logos. The management has also been informed that it is not allowed to use the MSPO logo if it is not approved by the MPOCC.

4.3 Summary of Non-Conformance and Current Status

| | |
|-------------------------------------|--|
| <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 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 | 0 |
| Minor NC | 2 |
| Opportunity For Improvement (OFI) | 0 |

4.4 Issues raised during Stakeholder Consultation:

A stakeholders' consultation meeting was conducted on Stage 2 (Recertification Assessment) to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements.

The subjects 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 raised issued. | |

** (Stakeholder Consultation is compulsory during Main Assessment only but if there is issue raised during Annual Surveillance Audit, the stakeholder Consultation will be conducted)*

4.5 Previous Audit Verification

Effectiveness of corrective action implementation for non-conformities (both major and minor findings) raised during previous audit is being evaluated in this year audit, in ensuring appropriate action has been successfully executed/ carried out as per corrective action plan and evidences provided by the certified client in the previous year CAR Form.

Based on Lead Auditor's and audit team verification, it can be concluded that:

- ☒ all the corrective action plan of non-conformities (both major and minor findings) raised during previous audit has been effectively implemented by the certified entities.
- ☒ all Opportunity for Improvement (OFI's) raised has been implemented accordingly by the certified client.
- ☐ Inadequate implementation of corrective action plans for non-conformities raised during previous audit.

Details on the previous non-conformity evaluation and verification is available in the Full Audit Assessment Report.

4.6 Changes Since Previous Audit

a. Changes on Client's Management System.

Please tick (if any):

| | |
|-------------------------------------|--|
| <input type="checkbox"/> | Legal, Commercial, organizational status or ownership |
| <input type="checkbox"/> | Key managerial person or the organization and management |
| <input type="checkbox"/> | New contact Personnel, client's address and site |
| <input type="checkbox"/> | Scope of operations under certified management system |
| <input type="checkbox"/> | Major changes to the management system and processes |
| <input checked="" type="checkbox"/> | Not applicable as there is no changes since previous audit |

Justification for above changes:

b. Changes to the Certified Product

Please tick (if any):

| | |
|-------------------------------------|--|
| <input type="checkbox"/> | Additional of new estate |
| <input type="checkbox"/> | Reduction of estate |
| <input type="checkbox"/> | Changes in estate hectarage area |
| <input type="checkbox"/> | Changes in MPOB License number |
| <input type="checkbox"/> | Changes in MPOB License expiry date |
| <input type="checkbox"/> | Changes in client's office coordinate |
| <input type="checkbox"/> | Changes in client's estate coordinate |
| <input checked="" type="checkbox"/> | Not applicable as there is no changes since previous audit |

Justification for above changes:

5. OFFICIALS SIGNED-OFF OF THE ASSESSMENT FINDINGS

5.1 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I hereby further confirm that:

- ☒ the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.
- ☒ Previous audit findings have been verified with satisfactory implementation.
- ☐ The correction, corrective action plan, and evidence for any major non-conformities has been reviewed, and accepted. The effectiveness of implementation shall be reviewed in the next year audit.
- ☒ The correction and corrective action plan, for any minor non-conformities has been reviewed and accepted.
- ☐ all Opportunity for Improvement (OFI's) raised has been implemented accordingly by the certified client.
- ☐ All of the changes occurred since previous audit has been verify to be true during the audit.

Based on all above evaluation, in conclusion, I recommend:

- ☒ for continuation of MSPO certification
- ☐ Not to continue with MSPO certification due to reason: _____

For **KUMPULAN PERLADANGAN PKINK BERHAD – TAPIS PALM OIL MILL** Certification Unit

Acknowledged by:

Name: ERMADASILA BIN MOHAMAD

Position: LEAD AUDITOR

Date: 23 NOVEMBER 2023



Signature

5.2 Responses by Certified Entities:

I the undersigned, being the 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 & Inspection Sdn Bhd Certifications.
- That during the closing meeting all agenda items was covered by the Lead Auditor.

Acknowledged by:

| | |
|-----------|-------------------------------------|
| Name: | MOHAMAD MUSLIM BIN SALLEH |
| Position: | PENGURUS AUDIT DALAM DAN TUGAS KHAS |
| Date: | 19 DECEMBER 2023 |



Signature

6. CERTIFIED BODY ACKNOWLEDGEMENT OF CERTIFICATION DECISION

6.1 Signing by Certifier

I, the undersigned Certifier, hereby confirm that I have conducted review as below:

- ☒ the information provided by the audit team is sufficient with respect to certification requirements and the scope for certification
- ☐ The correction, corrective action plan, and evidence for any major non-conformities has been reviewed, and accepted. The effectiveness of implementation shall be reviewed in the next year audit.
- ☒ The correction and corrective action plan, for any minor non-conformities has been reviewed and accepted.
- ☒ Audit Report has been sufficiently prepared by the audit team
- ☒ Audit team has commented on the non-conformities, where applicable, the correction and corrective actions taken by client.
- ☒ Audit team had performed evaluation for effectiveness of corrective action plan for pervious audit findings
- ☒ Has performed confirmation of the information provided to TRANS in the Application Form
- ☒ Has performed confirmation that the audit objectives have been achieved
- ☐ Acknowledged on the changes states in point 4.6
- ☒ Has reviewed the result of recertification audit, the result of the review of system over the period of certification and complaints received from users of certification (*applicable for granting recertification only*).

Based on all the above confirmation, I the undersign Certifier recommended:

- ☐ Granting Certificate
- ☐ Maintaining Certificate
- ☒ Re-certify
- ☐ Suspend Certificate

For **KUMPULAN PERLADANGAN PKINK BERHAD – TAPIS PALM OIL MILL** certification unit.

For Certification Suspension Action (Only applicable for suspended client)

Suspension date: _____

Reason for suspension: _____

Date of uplift suspension: _____

Reason for uplift suspension: _____

Recommendation after suspension:

- ☐ Maintaining Certificate
- ☐ Re-certify

For _____ (Client's name) _____ certification unit.

Acknowledged by:

Name: ATIKA BINTI BAKAR

Position: CERTIFIER

Date: 20 DECEMBER 2023



Signature

-End of Report-