

**PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)**

5A, Jalan Anggerik Eria AU 31/AU  
 Kota Kemuning, 40460 Shah Alam  
 Selangor, D. E. Malaysia  
[www.pci.com.my](http://www.pci.com.my) / +603-5525 8359

**MSPO Audit Summary**

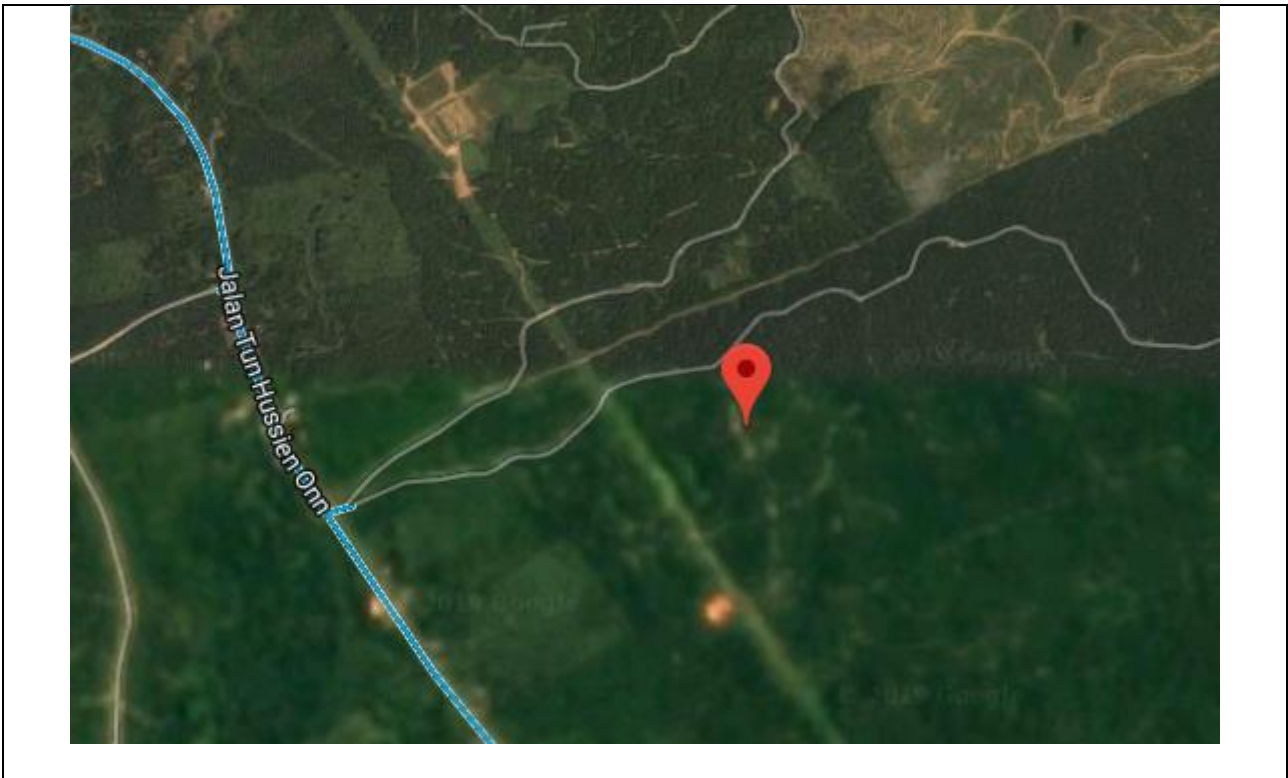
Company Name:	<b>Linddale Group of Companies</b>
Address:	<b>Off Mile 34 (56 KM), Jalan Lahad Datu / Sandakan Highway, 91118 Kinabatangan, Sabah.</b>
Reference No.:	<b>100039</b>
Standard(s):	<b>MS 2530-3:2013</b>
MPOB licence no: (for group certification, list all licences no. in the group)	<ol style="list-style-type: none"> <li>1. Linddale Sdn Bhd - 502822-402000</li> <li>2. The AGM Properties Sdn Bhd - 504290-102000</li> <li>3. The AGM Marketing Sdn Bhd - 503614-602000</li> <li>4. Aim Yield Sdn Bhd - 504482-302000</li> </ol>
MPOB licence scope of activity:	<ol style="list-style-type: none"> <li>1. Menjual dan mengalih FFB.</li> <li>2. Menjual dan mengalih FFB.</li> <li>3. Menjual dan mengalih FFB.</li> <li>4. Menjual dan mengalih FFB.</li> </ol>
MPOB Licence expiry date:	<ol style="list-style-type: none"> <li>1. Linddale Sdn Bhd – 31/01/2020</li> <li>2. The AGM Properties Sdn Bhd – 30/09/2019</li> <li>3. The AGM Marketing Sdn Bhd - 31/01/2020</li> <li>4. Aim Yield Sdn Bhd – 30/06/2019</li> </ol>
Audit Type:	<input checked="" type="checkbox"/> Stage 2 Audit <input type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	<b>Group management of oil palm plantations.</b>
Sites sampled: (for group certification only)	<b>Linddale Sdn Bhd, The AGM Properties Sdn Bhd, The AGM Marketing Sdn Bhd</b>

<b>GPS Coordinate:</b>	<ol style="list-style-type: none"> <li>1. Linddale Sdn Bhd – 5.333290, 117.994300</li> <li>2. The AGM Properties Sdn Bhd – 5.333290, 117.994300</li> <li>3. The AGM Marketing Sdn Bhd – 5.333290, 117.994300</li> <li>4. Aim Yield Sdn Bhd – 5.333290, 117.994300</li> </ol>
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**Map showing approximate location of certified entity:**

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Audit date:	<b>15/04/2019 to 17/04/2019</b>
Total number of man-day(s):	<b>5.0</b> man-day(s)
(for MSPO Part 2 & Part 3) Planted Area:	<input type="checkbox"/> Not applicable <b>2362.56</b> ha.
(for MSPO Part 2 & Part 3) Estimated tonnage of annual FFB produced:	<input type="checkbox"/> Not applicable <b>33079</b> mt.
(for MSPO Part 4) Estimated processing capacity: Estimated certified palm oil (CSPO): Estimated certified palm kernel (CSPK):	<input checked="" type="checkbox"/> Not applicable mt. FFB/hour mt./hour mt./hour
(N/A for Stage 2 & Re-certification assessment) Date of certificate issued and validity	<input checked="" type="checkbox"/> Not applicable <b>dd/mm/yyyy to dd/mm/yyyy</b>
Please state if the organization certified for other sustainability scheme(s)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, _____

**Executive Summary**

Summary - Principle 1 - 3  
 Having a young team of personnel assigned responsibilities for certification, Linddale group of companies has established a system of documentation which includes required policies, operating

procedures, document on internal audits and the reviewing of audit results. Information on the organisation can be made accessible from the internet should the management decided to have a company's website, to bear out transparency. We detected their list of stakeholders were not complete (OFI) missing a nearby school. They demonstrate general compliance to legal requirements, having ready communication with the authorities such as the Manpower Department. Aspiring to employ modern technology in activities requiring aerial surveillance, the management may need to establish a system on adopting improvement practices in line with new technology. We found no issue on land as the properties were acquired through Sales and Purchase agreement and are titled.

#### Summary - Principle 4 (People)

Social impacts are identified, and plans are implemented to mitigate the negative impacts and promote the positive ones. A system for dealing with complaints and grievances is established and documented. The only village community registered in the stakeholder list is Kampung Paris 2. The management responded well to request of assistance from local communities.

We found a sharp broken stump left unattended in the bushes in the vicinity of the labour line in Division 1 that impose risk to injury to personnel moving about in the area, that we see as ineffective implementation to their safety policy (NC). Their HIRARC missed documenting the operation of a quarry found in the estate (NC). We also noted that some of their safety committee members were not recorded in their minute of meeting (OFI) and report of an accident was not brought up in their meeting (NC).

Condition of employment are satisfactory to the workers that includes good housing facilities and fair wages. Engaging contractors to carry out work in the nursery, we found the need for the management to ensure that the employees of the contractor are paid according to their agreement with their employer (OFI). Training is an ongoing activity, carried out according to their training programme and following their operating procedures.

#### Summary - Principle 5 (Planet)

There is guided plan to address issues on environmental concerns including segregation of domestic wastes before disposal to landfills and having environment as an agenda during meetings. We found the containment around the fuel skid tank was not well constructed (NC) and to be rectified. The usage of fuel is monitored but limited to own consumption only. There is a need for the data of fuel usage to be acquired from the contractor to provide an accurate estimation of GHG emission (OFI).

Scheduled wastes are taken for disposals by registered collector. We noted facility for throwing of wastes in recycled bins in the housing compounds to implement recycling and segregation of wastes before final disposals.

The management established a water management plan to maintain the quality and availability of natural water resources (surface and ground water). This includes monitoring plans, record on water usage and treatment.

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HBV Assessment was carried out using HCVF Toolkit for Malaysia and a Sabah Wildlife Department. Zero burning is being practiced.

**Summary - Principle 6 (Profit)**

An Oil Palm Agricultural Policy is available but may need reviewing to incorporate replanting activities and other new practices in line with new technologies available (OFI).

Fields are divided into blocks and are indicated in the field. A budget is established with records on monitoring achievement of the goals and objectives. Contractors are made to understand MSPO requirements through briefing. The management provided evidence of agreed contracts with the contractor.

In conclusion, the management system of Linddale Group of Companies in general is effective and fulfils the requirements of the standards of MSPO.

**Listing of strength / strong point identified:**

No	Strength Statement
1.	<i>Provision of good infrastructure including concrete labour quarters, child education (for foreign workers) and treated water.</i>
2.	<i>Impressive labour line upkeep with decorated compound.</i>
3.	<i>Workers acknowledge good employment conditions</i>
4.	<i>Registered stakeholders confirmed being briefed on MSPO</i>
5.	<i>The presence of a young and proactive management team to implement the MSPO system.</i>

**Listing of improvement potential / opportunities for improvement (OFI)**

No	OFI Statement
1.	<i>To establish a documented procedure detailing subjects of improvement practices in line with new technology.</i>
2.	<i>a) To communicate the results of meeting to attendees and absentees to ensure stakeholders have updated relevant information from the management. b) to review and update list of stakeholders – to add in SMK Kinabatangan and SEB (Sabah Electricity Sdn Bhd - due issues arising from the passage of the high-tension power cables through the plantation.)</i>
3.	<i>a) To ensure workers representation during OSH meeting b) To record all members of OSH Committee in minute of meeting (even as absentees)</i>
4.	<i>The current version of Agricultural Manual (Policy) was produced in 2009 and is in progress of reviewing to incorporate Replanting Activities and other new practices in line with new technologies available today.</i>
5.	<i>Transparency would be evident with the company having a website allowing the public to acquire information regarding its activities etc.</i>
6.	<i>To better monitor the types of wastes generated, the sources of the wastes should be identified.</i>

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7.	<i>Better transparency and efficient coordination may be achieved by having Linddale keep a record of the Contractor employees and their wages.</i>
8.	<i>Consider to procure data of usage of non-renewable energy for operations from the contractor (currently operating the nursery).</i>
9.	<i>Segregation at the point of generation would have a tremendous impact on reducing waste disposed into the landfill.</i>

**Listing of nonconformity (NCR)**

<b>No</b>	<b>Clause</b>	<b>NCR Statement</b>	<b>NCR status</b>
1.	4.4.4.2b	<i>The standard states that the risks of all operations shall be assessed and documented. However, the operation of a quarry inside the estate is not assessed for its risks (in a HIRARC)</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
2.	4.4.4.2j	<i>The standard states that records shall be kept of all accidents and be reviewed periodically at quarterly intervals. We noted accident are reported through Borang Laporan Kemalangan and JKPP 8 for 2018 in reporting accidents to the authority is sighted. However, we found OSH Committee meeting on 25/1/2019 in discussing accident only talked about accidents occurred in January 2019 and missed one reported on 17/12/2018 – injury due to motorbike accident. The previous OSH Meeting was on 1/12/2018</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
3.	4.4.4.1	<i>The standard states the requirement of having an occupational safety and health policy and plan that shall be documented and effectively communicated and implemented. However, we found that a sharp broken stump was left unattended in the bushes in the vicinity of the labour line in Division 1. This could cause some serious injury to personnel moving about in the area.</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
4.	4.5.1.2	<i>The environmental management plan shall cover the following:            b) The aspects and impacts analysis of all operations.            During the site visit, it was noted that the gap facilitating the hose from the meter at the skid tank severely affects the capacity of the containment wall.</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close

**Stakeholder consultation summary**

Any issues raised by the stakeholder(s) towards the company?	<input type="checkbox"/> Yes, issue: _____
	<input checked="" type="checkbox"/> No.
<b>Remarks:</b> <b><i>Positive remarks from interviewees – acknowledging good relationship. No case of dispute and unresolved incident.</i></b>	

**Certification recommendation**

In reference to **MS 2530-3:2013**, the audit team recommends for:

<input type="checkbox"/> Issuance of the certificate.
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<input checked="" type="checkbox"/>	Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.
<input type="checkbox"/>	Maintenance of the certificate.
<input type="checkbox"/>	Maintenance of the certificate as soon as implementation of corrective action has been demonstrated.
<input type="checkbox"/>	Not applicable, due to extraordinary type of report.

Tentative next audit date:	<b>04/2020</b>
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<b>Company Representative</b>	
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Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Martin Chung En Foh
Position:	Senior Manager
Tel:	0138815771
Email:	<a href="mailto:chungenfoh@yahoo.com">chungenfoh@yahoo.com</a>

<b>PCI Audit Team Leader</b>	
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Name:	Edward Agong Ajan
Area of expertise	Forestry, plantation management
Tel:	+603-5525 8359
Email:	<a href="mailto:info@pci.com.my">info@pci.com.my</a>

<b>PCI Audit Team Member 1</b>	
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Name:	Dominic Retan Giah
Position:	<input checked="" type="checkbox"/> Co-Auditor <input type="checkbox"/> Auditor-in-Training <input type="checkbox"/> Technical Expert <input type="checkbox"/> Observer <input type="checkbox"/> Other, please specify:
Area of expertise (N/A if observer & other)	Forestry, plantation management, health & safety, EIA expert

<b>PCI Audit Team Member 2</b>	
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Name:	nil
Position:	<input type="checkbox"/> Co-Auditor <input type="checkbox"/> Auditor-in-Training <input type="checkbox"/> Technical Expert <input type="checkbox"/> Observer <input type="checkbox"/> Other, please specify:
Area of expertise (N/A if observer & other)	