

## MSPO Audit Summary

Company Name:	Tan Kim Hock Dan Anak Anak Sdn Bhd
Address:	Lot 2933-2937, 2958-2969, 2981-2991, Mukim Jementah, 85000 Segamat, Johor.
Reference No.:	100075
Standard(s):	MS 2530-3:2013
MPOB licence no: (for group certification, list all licences no. in the group)	<ol style="list-style-type: none"> <li>1. Engho Brothers Realty Sdn Bhd – 544489-002000</li> <li>2. Ho Teck Boon &amp; Brothers Plantation (SGT) Sdn Bhd – 524829-002000</li> <li>3. Ho Teck Boon &amp; Brothers Plantation (SGT) Sdn Bhd – 424092-601000</li> <li>4. Immetec Resources Sdn Bhd – 504333-902000</li> <li>5. Ladang Unilease Plantations Sdn Bhd – 502219-602000</li> <li>6. Keris Hijau Sdn Bhd – 604540-002000</li> <li>7. Tan Kim Hock &amp; Anak-Anak Sdn Bhd – 502371-102000</li> </ol>
MPOB licence scope of activity:	<ol style="list-style-type: none"> <li>1. Menjual dan mengalih FFB</li> </ol>
MPOB Licence expiry date:	<ol style="list-style-type: none"> <li>1. Engho Brothers Realty Sdn Bhd – 30/11/2019</li> <li>2. Ho Teck Boon &amp; Brothers Plantation (SGT) Sdn Bhd – 30/11/2019</li> <li>3. Ho Teck Boon &amp; Brothers Plantation (SGT) Sdn Bhd – 31/07/2023</li> <li>4. Immetec Resources Sdn Bhd – 31/12/2019</li> <li>5. Ladang Unilease Plantations Sdn Bhd – 31/01/2020</li> <li>6. Keris Hijau Sdn Bhd – 30/11/2019</li> <li>7. Tan Kim Hock &amp; Anak-Anak Sdn Bhd – 31.01/2020</li> </ol>
Audit Type:	<input checked="" type="checkbox"/> Stage 2 Audit <input type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	<i>Provision of Oil Palm Plantation Group Management.</i>
Sites sampled: (for group certification only)	<ol style="list-style-type: none"> <li>1. Tan Kim Hock Dan Anak Anak Sdn Bhd</li> <li>2. Keris Hijau Sdn Bhd</li> <li>3. Immetec Resources Sdn Bhd</li> <li>4. Ladang Unilease Plantations Sdn Bhd</li> </ol>

GPS Coordinate:	2.4935840, 102.6803700
Map showing approximate location of certified entity:	

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

5A, Jalan Anggerik Eria AU 31/AU  
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 Selangor, D. E. Malaysia  
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Audit date:	<b>08/05/2019 to 11/05/2019</b>
Total number of man-day(s):	<b>7.0</b> man-day(s)
(for MSPO Part 2 & Part 3) Planted Area:	<input type="checkbox"/> Not applicable <b>1215.85</b> ha.
(for MSPO Part 2 & Part 3) Estimated tonnage of annual FFB produced:	<input type="checkbox"/> Not applicable <b>22380.37</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**

This assessment was multisite certification as palm oil plantation group management. Stage 1 audit was performed on 06/05/2019 and total of 15 findings were highlighted during audit on documentation review and site walkabout. All areas of concern were satisfactorily closed by the time of stage 2 audit.

Stage 2 audit was conducted from 08/05/2019 to 11/05/2019 and improvement was sighted since last visit. 4 sites were sampled as below:

- a. Immetec Resources Sdn Bhd
- b. Unilease Plantation Sdn Bhd
- c. Keris Hijau Sdn Bhd
- d. Tan Kim Hock Dan Anak Anak Sdn Bhd

MSPO Policy was established on 01/04/2019 and approved by respective Managing Directors. Internal audit was performed for all sites on 23/04/2019 and total of 13 CARs were reported and reviewed during management review on 03/05/2019. The action plan for continual improvement was established in Jan 2019 and focus area included employment conditions, stakeholders' meeting, training & competency.

Stakeholder meeting was conducted and output from the meeting noted to be positive without any concern raised during meeting. Traceability procedure was also established for every operation units.

List & Summary of Applicable Laws & Regulations was updated and land title with map was also available. However, the organization from Immetec Resources & Unilease were in progress to follow up with local authority on the need of amendment for terms & condition stipulated in land titles in order to include oil palm plantation application.

Social Impact Assessment was established for all sites and negative impact was highlighted including reduce wildlife place, contamination from palm oil wastes and air pollution, threat of flooding, differences between local workers & foreign workers. Samples of complaint forms were sighted and closed at the moment. Contract between Keris Hijau and Guan Kiat Palm Oil Enterprise was sampled and do not found any sign of criteria that lead to discrimination and other social concern. Minimum pay rate as per legal requirements was sighted as per payslip of sampled employees & contractor workers. Training Need Analysis, Training Plan & Training Effectiveness for all sampled sites were available.

OHS Policy was established for all sampled sites and displayed in office / notice board. No accident reported since last year 2018 and HIRARC was conducted for all relevant operation / processes. Environmental Policy & Environmental Management Plan and Environmental Aspect & Impact Assessment for all sampled sites were established. Sighted objectives regarding environmental and social trainings in the action plan for continuous improvement. The negative impacts were identified in the environment management plan with the respective control plan, status & PIC. Domestic Wastes and Scheduled Wastes Procedure including list of identified scheduled wastes generated from estate were also available. All sampled sites were not high biodiversity area at the moment.

Good practices sighted in Tan Kim Hock Plantations where the terrace paths were constructed inclining at 20 degrees +- from the terrace walls. These were done to conserve water for the

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palms. No sightings of serious land erosions were sighted during the site visit. Runoff Sand in the drains were regularly desilted to ensure smooth water flow as observed in Unilease plantation. A 3 years business plan was available for all 4 sampled estates 2019/2020,2020/2021 and 2021/2022. The 3 years business plan contains FFB projection for the year, MPOB FFB Price per Tonne Forecast and Ex – Estate Cost per Tonne FFB. A sample taken from Tan Kim Hock Plantation where the contract agreement for FFB harvesting and transport was signed by the estate managing director and the contractor’s representative.

No New Planting taking place only Replanting for Immetec Resources were done by intercropping with the current planting. No felling is done throughout the process. The current Palms will be eliminated by herbicide treatment during the young palm stage.

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

No	Strength Statement
1.	<i>Commitment and support from top management of all plantations was demonstrated on the implementation of management system for continual improvement.</i>
2.	<i>The organization of all sampled sites had established good rapport with the stakeholders.</i>

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

No	OFI Statement
1.	<i>Management review was performed and recorded. Further enhancement on clearer elaboration for results of communication &amp; consultation with stakeholders, status of complaint &amp; grievance if any, status of legal compliance, status of continual improvement action plan, changes of environmental aspect &amp; HIRARC if any should be considered for better performance review purpose.</i>
2.	<i>List &amp; Summary of applicable laws &amp; regulations was established. It would be worth to elaborate clearer the status of compliance for each requirement identified instead of only stated ‘no latest amendment published’ for better monitoring purposes.</i>
3	<i>Social Impact Assessment was established for all sites and it would be worth to elaborate clearer the completion status of proposed actions addressed for any negative impact identified for better monitoring purpose.</i>
4	<i>Chemical was stored at designated storage (Tan Kim Hock estate). Further enhancement on the room ventilation and clearer displaying CDS should be considered for better operational control.</i>
5	<i>Safety &amp; Health Committee organization chart was established for all sampled sites. Further enhancement on monitoring platform for periodic meeting should be considered for continual improvement.</i>  <i>Further enhancement on integrating HSE committee meeting should be considered in order to prevent overlook of periodical environmental performance review.</i>
6	<i>First aid kit was available at designated area and further enhancement on periodic inspection of kit content should be considered in order to ensure emergency kit was well maintained all the time.</i>

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7	<i>Environmental objective on reducing applicable wastes was established. Further enhancement on specifying clearer justifiable indicator to be achieved supporting with analysis data for better performance monitoring purpose.</i>
8	<i>Environmental training was proposed in the action plan for continuous improvement. However, the management might consider to be more specific in detailing the type of training concerned.</i>
9	<i>Spent lubricating oil (SW305) was just generated in May 2019 and stored at scheduled wastes store (Immetec Resources Site). Further consult with local authority on the notification of scheduled wastes &amp; appointment of competent person should be considered in order to ensure compliance without undue delay.</i>
10	<i>A 3 years business plan was available for all 4 sampled estates. However, the management might consider the needs to include forecast of operational expenditure for better monitoring efficiency of the operation</i>

**Listing of nonconformity (NCR)**

No	Clause	NCR Statement	NCR status
1.	nil	nil	<input type="checkbox"/> Open <input 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> <i>The organization of all sampled sites had established good rapport with the stakeholders and there was no negative feedback at the moment during interview session.</i>	

**Certification recommendation**

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

<input checked="" type="checkbox"/> Issuance of the certificate.
<input 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>05/2020</b>
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Company Representative	
Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Mr. Anson Tan Chee Sang
Position:	Ground Manager
Tel:	+6012 273 5826
Email:	<a href="mailto:tcsang@gmail.com">tcsang@gmail.com</a>
PCI Audit Team Leader	
Name:	Tee Kee Hu (TEE)

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Area of expertise	Environmental, Safety & Health, HIRARC
Tel:	+603 5525 8359
Email:	Tee.kh@pci.com.my
<b>PCI Audit Team Member 1</b>	
Name:	Muhammad Khaidir Bin Zulkornain (KHA)
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)	Plantation Management & Bio-Compost
<b>PCI Audit Team Member 2</b>	
Name:	
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)	