

03-02, Galleria Cyberjaya,
Jalan Teknokrat 6, Cyber 5,
63000 Cyberjaya, Selangor

Type of Certification : Initial Certification: Stage 2 Audit
☒ Individual ☐ Group

Organization : Tekad Maju Sdn. Bhd.

Address : Ladang Hong Mau, CL 095311685, Mukim Segaliud-Lokan, 90000 Kinabatangan, Sabah.

Audit Date : 5 February, 2021

Standard ☐ MSPO (MS2530-2:2013) Part 2: General Principles for Independent Smallholders
☒ MSPO (MS2530-3:2013) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders
☐ MSPO (MS2530-4:2013) Part 4: General Principles for Palm Oil Mills

Scope of Certification : Production of Sustainable Fresh Fruit Bunches (FFB)

Audit Team

Lead Auditor : Mr. Edwell James

Auditor : Mr. Amirul Arif Ab Aziz

Auditor : Mr. Muhamad Nazran Nazarno

Report by Lead Auditor

Name : Mr. Edwell James

Signature :

1.0 Introduction

1.1 Details of the Organization

Tekad Maju Sdn. Bhd. (Hong Mau Estate) is an estate located in Kinabatangan addressed in CL 095311685, Mukim Segaliud-Lokan, 90000 Kinabatangan, Sabah.

MPOB Information:

Estate	Location	License No.	Licensed Activity	Expiry Date
Tekad Maju Sdn. Bhd. (Hong Mau Estate)	Kinabatangan, Sabah	503448802000	Menjual dan mengalih FFB	31/01/2021

1.2 Location and Area Statement

Estate	Location		Certified Area	Planted Area
	Latitude	Longitude		
Tekad Maju Sdn. Bhd. (Hong Mau Estate)	5.63022 N	117.91979 E	2051.00 Ha	2035.02 Ha

Refer to **5.0 Appendices** of the map of the estate's location on Google Map based on GPS point.

1.3 Supply Base

1.4 Tekad Maju Sdn. Bhd. (Hong Mau Estate) supplies its FFB to LCH Palm Oil Mill Sdn Bhd (80%), Sg Ruku Palm Oil Mill Sdn Bhd (15%) and to Global Palm Oil Mill Sdn Bhd (5%).

1.5 Tonnage Certified (FFB)

Estate	FFB Production, Metric Tonne (MT)		
	Actual 2019	Actual 2020	Actual 2021
Tekad Maju Sdn. Bhd. (Hong Mau Estate)	9,470.78	10,407.57	10,000.00

1.6 Other Sustainability (or ISO) Certifications

Tekad Maju Sdn. Bhd. (Hong Mau Estate) does not hold any other sustainability or ISO certification.

1.7 Organizational Information

The contact person for Tekad Maju Sdn. Bhd. (Hong Mau Estate) is as follow:

Name : Mr. Siow Yuen Sheng
 Address : 1st Floor, Foh Chong Building, 66 Jalan Ibrahim, 80000 Johor Bahru, Johor, Malaysia.
 Phone No. : +6010 288 2920
 E-mail : yssiow@gmail.com

2.0 Audit Process

2.1 Audit Objectives

The objectives of the audit are to verify the management system conforms with all the requirements of the MSPO standards and that the organization has effectively implemented the planned MSPO management system as well as to check if the management system can achieve the organization's policy objectives.

2.2 Audit Methodology

The MSPO initial certification audit Stage 1 was conducted on 14th September 2020 and stage 2 was conducted on 5th February 2021 through remote audit. In second stage audit, the audit team did a check on facilities and structures available in the estate such as site office, workers' quarter and storage area virtually. The team also did inspections to see the operational site of the estate such as road maintenance, terracing on steep areas, cover crop maintenance, any natural stream or waterway, block maintenance (spraying, manuring and fronts stacking) as well as the estate boundary to verify the implementation of the MSPO (MS2530-3:2013) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders virtually. Interviews were carried out with the team management, employees, contractors and other relevant stakeholders. Documents and records verification was also done to further support and validate findings from initial year audit. The methodology for collecting objective evidence is physical site inspection, observation of tasks and processes, interviews with management, employees and workers, consultations with contractors and stakeholders as well as documents review and data monitoring. The audit evidence obtained were based on samples of information available, thereby introduces the element of uncertainty.

Audit Team

Audit Member	Role/Area Covered	Education/Qualification/Works Experience
Edwell James Ghani	Role: Lead Auditor Audited Principle 5 & 6	• Certified RSPO and MSPO Lead Auditor • Certified OSH Management System ISO 45001:2018 Auditor • BEng (Hons) Chemical Engineering (HSE) from UTP • 3 years with PETRONAS Corporate HSE Department as a Regional Industrial Hygiene Assessor • 5 years with Wild Asia Sdn Bhd as Program Coordinator (Sabah Region) for RSPO Certification
Amirul Arif Ab Azizi	Role: Auditor Audited Principle 2 & 4	• Certified MSPO Auditor • Certified EMS ISO 14001:2015 Lead Auditor • BSc (Hons) Plantation and Agro Technology Management (UiTM) • Worked with FIMA Corporation Berhad as MSPO Coordinator
Muhamad Nazran Nazarno	Role: Auditor Audited Principle 1 & 3	• Bachelor of Engineering (Hons) Chemical & Bioprocess from MARA Universiti Teknologi Mara (UiTM) Kampus Shah Alam, Selangor. • Certified MSPO Lead Auditor. • Have 2 years' experience in palm oil industry. In 2019, he has been working with Boustead Estates Agency Sdn. Bhd. as an Assistant Mill Manager.

2.3 Stakeholder Consultation

Stakeholder consultation was initiated with the announcement in the ECCO's website on 14 August 2020. This was then followed with sending letters to relevant stakeholders requesting for input (if any) regarding the company. There were no comments received during this process. Generally, no complaint or suggestion was received from all the parties that were interviewed and consulted. All feedbacks and comments received were positive.

2.4 Audit Plan

MSPO Initial Certification Audit	Year 1 Surveillance Audit	Year 2 Surveillance Audit	Year 3 Surveillance Audit	Year 4 Surveillance Audit
Stage 1 – 14/09/2020 Stage 2 – 05/02/2021	02/2022	02/2023	02/2024	02/2025

The actual date of the annual surveillance audit will be discussed and decided 3 months prior to the month of planned audit.

3.0 Summary of Audit Result**3.1 Non-Conformity Report (NCR) Raised**

Details of collected evidence and findings of the audit are presented in a separate MSPO checklist. The result for each of the MSPO requirements (indicators) from all operational areas were evaluated to provide an assessment of conformity. A finding statement is made available for each indicator in order to support the assessment findings.

Major NCR(s)	0
Minor NCR(s)	1
Observation for Improvement (OFI)	1

- ☒ Minor NCR(s) - Corrective Action Plan has been accepted and reviewed. Verification of the corrective action plan implementation will be carried out in Year 2 Surveillance Audit.
- ☐ Major NCR(s) - Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The corrective action implemented reviewed to be satisfactory to close out the NCR(s).
- ☒ OFI(s) - Improvement done on the affected aspect will be verified in the Year 2 Surveillance Audit.

3.2 Audit Conclusion

The management system demonstrated conformity with the requirements of the MSPO (MS2530-3:2013) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders and has provided a satisfactorily sufficient structure to support implementation and maintenance of the management system. Therefore, Lead Auditor has recommended that MSPO Certification be granted to Tekad Maju Sdn. Bhd. (Hong Mau Estate).

4.0 Official Signoff of the Assessment Findings

On behalf of:
ECCO Certified Sdn Bhd



Name : Nur Izzaty Iqlima Norazman
Position : Programme Manager
Date : 05/02/2021

On behalf of:
Tekad Maju Sdn. Bhd. (Hong Mau Estate)

Name : Mr. Siow Wong Yen @ Siow Kwang Hwa.
Position : Director
Date :

5.0 Appendices

5.1 Map of Location

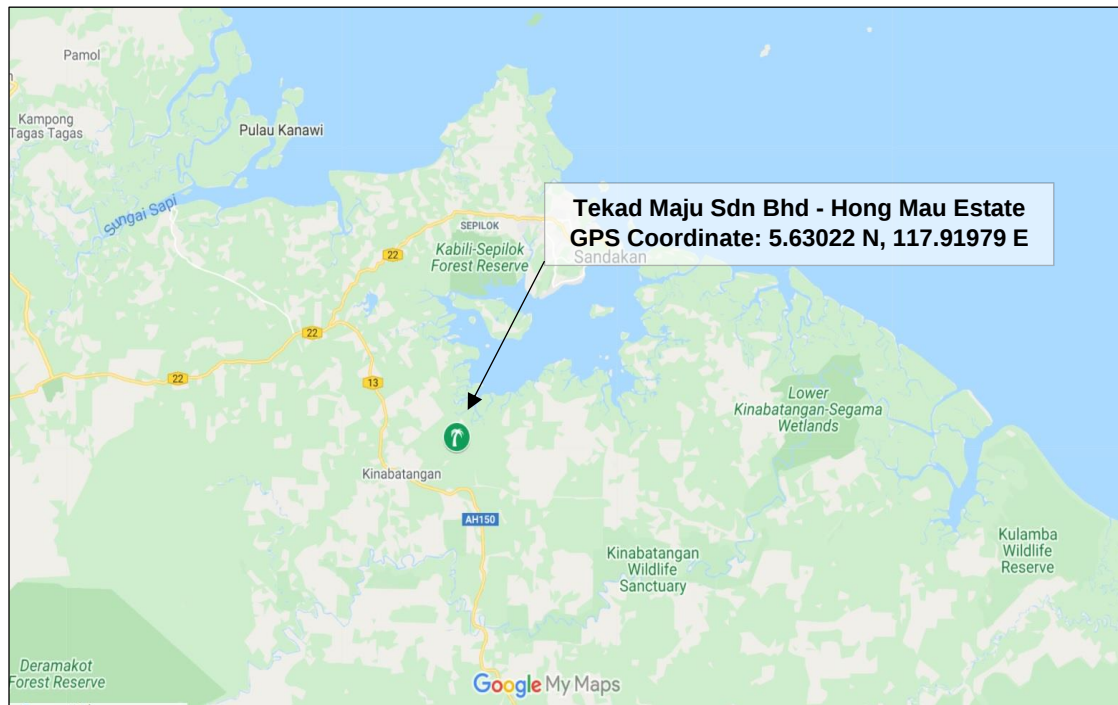


Figure 1: Location of Tekad Maju Sdn. Bhd. (Hong Mau Estate) on Google Map based on its GPS coordinate