



Certification International
Certification International

MSPO ASSESSMENT REPORT

ON

MS 2530-3-1: 2022; Malaysian Sustainable Palm Oil
(MSPO)

FOR

ENTITY NAME	Koperasi Sri Nara Kampung Kundur Hulu Pedas Berhad		
MAIN ADDRESS	Lot 519, Jalan MIEL 27/S1, Kawasan MIEL Pedas Perdana, 71400 Pedas, Negeri Sembilan		
SITE ADDRESS (IF ANY)	Koperasi Sri Nara Kampung Kundur Hulu Pedas Berhad, Lot 2452, 744, 2043, Mukim Kundor, 71400 Pedas Negeri Sembila.		
REPORT NO.	MR3/MSPO/24/RAV/124		
DATE OF VISITATION	12/12/2024 TO 12/12/2024		
MSPO CERTIFICATE NO.	CYCLE 1 – MYMS12195808	VALIDITY	21/12/2019 - 20/12/2024
	CYCLE 2 – MSPO-03-125		21/12/2024 – 20/12/2029
TYPE OF CERTIFICATION	SINGLE	IF GROUPING, NO OF GROUP MEMBERS	NA
TYPE OF AUDIT	ON-SITE VERIFICATION (FIELD VISIT & DOCUMENT REVIEW)		
AUDIT STAGE	TRANSFER DURING RE-CERTIFICATION ASSESSMENT VISIT (RAV)		

[Disclaimer: This audit report reflects the compliance of the organization against the audit standard(s) to best accurateness. As the audit was carried out by sampling method, certain areas or processes may not be verified on its compliances. MR3 has taken every effort possible to ensure the accuracy of the audit and reporting. MR3 will not be held responsible should the audited organization failed to provide accurate information. MR3 has full ownership and the right of maintenance of this report and shall take action to deal with incorrect references to certification status or misleading use of certification documents, marks, or audit reports.]



This assessment report has been meticulously prepared to provide a comprehensive analysis of the MSPO Re-Certification Assessment Visit (RAV). The objective of this report is to evaluate the current status, identify strengths and areas for improvement, and recommend actionable strategies to enhance overall performance and compliance with relevant standards.

Throughout the assessment process, we have employed a systematic approach, incorporating both qualitative and quantitative methods to ensure a thorough and accurate evaluation. Our team of experienced professionals has collaborated closely with stakeholders, conducted extensive fieldwork, and reviewed pertinent documentation to compile this report.

We extend our gratitude to all those who contributed to this assessment, including the management team, staff, and external partners, whose cooperation and valuable insights were instrumental in completing this report. We believe that the findings and recommendations presented herein will serve as a valuable resource for informed decision-making and strategic planning.

We trust that this report will facilitate continuous improvement and support the organization's commitment to excellence. Should you have any questions or require further clarification on any aspect of this report, please do not hesitate to contact us at superadmin@mr3cert.com.

Working TOGETHER, for a sustainable future.

Prepared By		Client's Representative Acknowledgement	
Signature		Signature & Company Stamp	
Name	Mohammad Hafizuddin Bin Rossley (HF)	Name	ADI FAROANY . BKS DAHALAN
Designation	Lead Auditor	Designation	SETIAUSATTA .
Date	19/12/2024	Date	27/12/2024 .
Email	Choose an item.	Email	kop.srinara@yahoo.com.

Note for client: Please fill in the "Client's Representative Acknowledgement" section once you have satisfied with the report and as indication of acceptance. A copy of this page to be reverted to MR3 Certification International for recording purpose.

For Office Purpose:		
Description	Date	Remarks
Client Review & Acceptance	27/12/2024	Review by the secretary
Peer Reviewer	13/1/2025	Review by Peer reviewer Mr Syahrizan
Certification Decision	17/1/2025	Review and approve by Director
MSPO Certificate Approval / Issuance	17/1/2025	Approve by the Director

ABBREVIATION

CAP	Corrective Action Plan
CB	Certification Body
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
FFB	Fresh Fruit Bunch
FY	Financial Year
GAP	Good Agricultural Practices
IA	Internal Audit
ISCC	International Standard for Carbon Certification
LA	Lead Auditor
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MRM	Management Review Meeting
MSPO	Malaysian Sustainable Palm Oil
NA	Not Applicable/ Non-Applicable
NC	Non-Conformance/ non-conformity
OBS	Observation
OFI	OFI
P&C	Principle & Criteria
PK	Palm Kernel
POM	Palm Oil Mill
PPE	Personal Protective Equipment
RTE	Rare, Threatened & Endangered
SCCS	Supply Chain Certification Standard
SEIA	Social & Environment Impact Assessment
SOP	Standard Operating Procedure
TM	Team Member

EXECUTIVE SUMMARY

The Malaysian Sustainable Palm Oil (MSPO) certification scheme represents a national commitment to the sustainable production of palm oil. This certification is designed to ensure that all aspects of palm oil production, from plantation management to processing, adhere to strict sustainability standards. Maintaining this standard is crucial for promoting environmental stewardship, social responsibility, and economic viability within the palm oil industry. The MSPO standard is essential for several reasons, including environmental protection by ensuring sustainable land use and reducing environmental impact, upholding the rights and welfare of workers and local communities through social responsibility, meeting the growing global demand for sustainably produced palm oil to secure market access, and enhancing the credibility and reputation of the Malaysian palm oil industry. It aims to promote sustainability across the palm oil supply chain. These elements include management commitment and responsibility, transparency, compliance with legal requirements, social responsibility, health, safety and employment conditions, environment, natural resources, biodiversity and ecosystem services, best practices, and the development of new plantings.

MR3 Certification International Sdn. Bhd. (MR3) is a privately-owned company based in Malaysia, incorporated in 2019 with registration number 1314255-P. Our head office is located at Level 6 & 7, The Tribeca, No. 215 Jalan Imbi, 55100 Kuala Lumpur, Malaysia. MR3 specializes in certification audits across various management systems, focusing particularly on Sustainability, Quality, Safety, and Environment. Our team boasts over 15 to 30 years of experience in diverse industries and certification processes. We bring a unique blend of expertise from various sectors, providing detailed insights during the audit process whilst empowered to exercise our judgment and make decisions to ensure that our services are both effective and engaging. This right mix of knowledge and experience allows us to deliver high-quality service to our clients at every level. With our global presence, extensive experience, and customer-centric approach, we confidently offer specialized services that cater to the needs of organizations across different industrial sectors. Our hands-on experience and delivery style ensure accurate and prompt service, establishing a solid foundation for the services we provide. Being a Certification Body, we play a pivotal role in the MSPO certification process with responsibility to conduct rigorous audit and upholding the integrity of the MSPO scheme through unbiased and transparent evaluation processes.

Achieving MSPO certification offers numerous benefits to palm oil producers. These benefits include enhanced market access by opening doors to international markets that demand sustainably produced palm oil, improved operational efficiency through the adoption of best practices that improve productivity and reduce costs, demonstrating a commitment to sustainable development and corporate social responsibility by having a positive social and environmental impact, building trust and confidence among consumers, investors, and other stakeholders through stakeholder confidence, and ensuring adherence to national and international regulations and standards by maintaining regulatory compliance.

In conclusion, the MSPO certification is not merely a standard but a strategic initiative that underscores the industry's commitment to sustainability. By maintaining rigorous compliance with the MSPO standards, the palm oil industry in Malaysia can continue to grow responsibly, benefiting the environment, society, and the economy.

DETAILS OF THE CERTIFIED ENTITY

GENERAL INFORMATION	
Audit objectives	<input checked="" type="checkbox"/> To determine the conformity of the client's management system, with audit criteria <input checked="" type="checkbox"/> To determine the ability of the management system to ensure the client meets applicable statutory, regulatory, and contractual requirements. <input checked="" type="checkbox"/> To determine of the effectiveness of the management system to ensure the client can reasonably expect to achieve its management plans. <input checked="" type="checkbox"/> To identify areas for potential improvement of the management system (if any) <input checked="" type="checkbox"/> To determine continuity of conformity of management system <input checked="" type="checkbox"/> To determine achievement and progress of client's management plans <input checked="" type="checkbox"/> To follow up on the previous audit's findings <input checked="" type="checkbox"/> To review use or logo / marks <input checked="" type="checkbox"/> To determine overall maintenance of client's management system conformity against audit criteria <input type="checkbox"/> Other, (please specify)
Fulfilment of the Audit objectives	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO , Justification:
Applicable National Standards	MS ISO/IEC 17021-1:2015, ISO/IEC 17065, MSPO Certification Scheme documents
Issue of certificate	<input checked="" type="checkbox"/> YES , Justification: This is a re-issuance certificate during RAV <input type="checkbox"/> NO , Justification: No changes from the previous review.

CERTIFICATION SCOPE	
The applicable scope	Production of Fresh Fruit Bunch from : 199.33 ha Certified Area 168.13 ha Planted Area
Exclusion	Clause 4.1.2 Justification: The company doesn't have any new planting activities
Changes from previous registration	No
Extension/ changes of scope date	NA
Use of MSPO Logo	The Certification Unit is not using MSPO certification marks for any type of on- and off-product communication.

CONTACT INFORMATION	
Management Representative	En Adi Fardani Dahalan
Position	Bendahari
Contact Number	010-3664086
E-mail address	koperasisrinara@gmail.com
Office Number	06 6979270
Alternative Contact	Pn Juliafara Bintin Md Jan
Contact Number	012 2440133
E-mail address	

ESTATE INFORMATION:					
NAME OF UNIT	MPOB LICENSE NO	LOCATION	GPS COORDINATES	CERTIFIED AREAS (HA)	PLANTED AREAS (HA)
Koperasi Sri Nara Kampung Kundur Hulu Pedas Berhad	582005002000	Lot 2452, 744, 2043, Mukim Kundor, 71400 Pedas Negeri Sembilan.	2.563060, 102.02824	199.33	168.13
Other Sustainability Certification		NIL			

Note:

- (i) Maps showing geographical location, with close-up of the certified estates are attached as in the 'Estate Location & Map' of this report.
(ii) With reference to Circular MPOCC dated 2 April 2021

AREA STATEMENT AND FFB FORECAST:							
NAME OF UNIT	CERTIFIED AREA (HA)	PLANTED AREA (HA)	FFB TON/ YEAR 2023	YIELD TON/ YEAR	MATURE AREA (HA)	IMMATURE AREA (HA)	HCV Area or Conservation Area
Koperasi Sri Nara Kampung Kundur Hulu Pedas Berhad	199.33	168.13	1169.39	6.96	168.13	Nil	Nil
TOTAL	199.33	168.13	1169.39	6.96	168.13	Nil	Nil

ESTATE LOCATION & MAP

Microsoft Bing 2 2.563060, 102.02824

Directions Traffic My Places More

71400 Kampung Kundor Ulu, Negri Sembilan, Malaysia

Directions Nearby

Save to calendar

Nearby

- Parking
- Hotels
- Restaurants
- Coffee Shops
- Petrol stations
- Nearby Transit

Search nearby

Malaysia · Negri Sembilan · Rembau · Kampung Kundor Ulu
2.56306, 102.028236

Malaysia · Negri Sembilan · Rembau · Kampung Kundor Ulu

71400 Kampung Kundor Ulu, Negri Sembilan, Malaysia

500 ft 200 m

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Feedback

THE AUDIT PLAN



AUDIT PLAN	
MR3-P05-F3	Effective Date: 16/11/2023 v 02

Date	Time	Assessor	Business Area/ Process	Indicator
DAY 1 12/12/2024 (Thursday)	0900	ALL	<p>Introduction by the Lead Auditor on the follow's information:</p> <p>Opening meeting</p> <ol style="list-style-type: none"> Introduction of the participants; Lead Auditor, Team Member/s, Trainee Auditor (if any), Witness Auditor (if any) and Observer (if any) including an outline of their roles; Confirmation of the client's name, location address & scope of certification. 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. Confirmation of formal communication channels between the audit team and the client. Confirmation that the resources and facilities needed by the audit team are available. Confirmation of matters relating to confidentiality, assurance of impartiality, conflict of interest & confidentiality of client's information observed & dealing with authority requesting of client's information. Confirmation of relevant work safety, emergency and security procedures for the audit team. The method of reporting, including any grading of audit findings. Information about the conditions under which the audit may be premature terminated. Confirmation of the status of findings of the previous review or audit and Use of MSPO logo, if applicable; Methods and procedures to be used to conduct the audit based on sampling. Confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; opportunity for the client to ask questions. 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; Methods and procedures to be used to conduct the audit based on sampling; Confirmation of the status of findings of the previous review or audit, if applicable; 	On Site ISO/IEC 17021-1:2015 Conformity assessment — Requirements for bodies providing audit and certification of management systems



AUDIT PLAN	
MR3-P05-F3	Effective Date: 16/11/2023 v 02

Date	Time	Assessor	Business Area/ Process	Indicator
DAY 1 12/12/2024 (Thursday)	0900	HF AA	<p>Site visit including operation activity; Buffer zone, Boundary, Landfill area. Visit to facilities area including operation activity; Buffer zone, Boundary, Landfill.</p> <p>Principle 4.1: Management commitment & responsibility Criterion 1 : MSPO Policy Criterion 2 : New Planting Criterion 3 : Existing site management Criterion 4 : Replanting Criterion 5 : Training and Competency Criterion 6 : Economic and Financial viability plan Criterion 7 : Commitment to contribute to local sustainable development Criterion 8 : Complaints and grievances handling Criterion 9 : Internal Audit Criterion 10 : Management Review</p>	Koperasi Sri Nara Kampung Kundur Hulu Pedas Berhad 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10
	1130	HF AA	<p>Stakeholder Consultation To conduct process of engagement with the stakeholder to gauge the level of compliance against the requirements in the MSPO incl document review, interview, communication or consultation and a visit to the field or site (if required).</p> <p>Principle 4.2: Transparency Criterion 1 : Communication and Consultation Criterion 2 : Traceability Criterion 3 : Transparent and fair price dealing Criterion 4 : Ethical conduct</p>	
	1230	ALL	LUNCH BREAK	
	1400	HF	<p>Principle 4.3: Compliance to Legal Requirements Criterion 1 : Regulatory requirements Criterion 2 : Right to use land Criterion 3 : Native customary rights</p>	4.3.1, 4.3.2, 4.3.3

	1400	AA	Principle 4.4: Responsibility to Social, Health, Safety and Employment Conditions Criterion 1 : Social impact assessment (SIA) Criterion 2 : Employee's safety and health Criterion 3 : Employment conditions Criterion 4 : Living conditions	4.4.1, 4.4.2, 4.4.3, 4.4.4
		HF & AA	Principle 4.5: Environment, Natural Resources, Biodiversity and Ecosystem Services Criterion 1 : Environmental management Criterion 2 : Efficiency of energy use and use of renewable energy Criterion 3 : Waste management and disposal Criterion 4 : GHG Emissions Criterion 5 : Water resources Criterion 6 : Environmental conversation and protection Criterion 7 : Zero burning practices	4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7
	1630	ALL	Meeting of assessors to discuss findings and report preparation Presentation of assessment findings and Closing Meeting	
	1700	ALL	END OF DAY 1 ASSESSMENT	

Note:

- The times indicated are subject to adjustment forward or backward depending on the progress of the assessment.
- The time for lunch break may be adjusted to fit in with the client's operations.
- Auditors reserve the right to change or add to the elements listed before or during the audit depending on the results of on-site investigation.
- A private place for preparation, review and conferencing is requested for the auditor's use.
- Prepare necessary PPE (if required) for site visitation.
- It is desirable for the client's management to be present at both opening and closing meetings.
- Please make a copy of assessment findings, summary report and endorsed scope for your retention.
- Please inform MR3 if there is any objection or conflict of interest related to any of the above team members
- The assessment team may conduct a verification assessment should the client fail to submit corrective actions and root cause analysis for compliance or extension of scope assessment within 3 months from the date of assessment (if applicable).
- You are invited to review the team members and, if necessary, advise MR3 of any conflict of interest. Please contact admin@mr3cert.com or the General Manager at 012 2488905 directly for any objection.

THE AUDIT PROCESS

The MSPO audit process is comprehensive and involves several key steps. These include pre-audit preparation, reviewing documentation and planning the audit scope, conducting on-site assessments to verify compliance with MSPO principles and criteria, engaging with stakeholders to gather additional insights and feedback, compiling findings into a detailed report that highlights areas of compliance and opportunities for improvement, and conducting follow-up assessments to ensure corrective actions have been implemented.

With reference to MSPO Certification Scheme Document dated 05 January 2023, Section 3.3 **REQUIREMENTS FOR LEAD AUDITOR, AUDITOR AND TECHNICAL EXPERTS**. This assessment has been conducted by the following approved assessor(s) which hold sufficient qualifications and experiences to conduct MSPO Assessment. MR3 Certification International Sdn Bhd holds copies of educational qualifications, certificates and audit logs for each of the audit team members.

Summary of the Assessor's credentials are as follows:

Criteria	Requirement	Lead Auditor	Team Member
		Mohammad Hafizuddin Bin Rossley (HF)	Alif Abu Hurairah Bin Abas (AA)
Education	<p>Lead: Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Business Management; or other relevant fields.</p> <p>Auditor: Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences.); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Business Management; or other relevant fields.</p>	Mohammad Hafizuddin Graduated in Diploma of Agriculture from UPM in Year 2010.	Aliff Abu Hurairah Abas holds a Master of Science (Hons) Plantation Industry Management from Mara University of Technology (UiTM) Shah Alam

Work Experience	<p>Lead: Post-Secondary education: At least seven (7) years of work experience in the oil palm sector OR ten (10) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Tertiary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Auditor: Post-Secondary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Tertiary education: At least three (3) years of work experience in the oil palm sector OR five (5) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR three (3) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p>	He having more than 7 years in plantation management as assistant manager. Since year 2017 he join certification body as an auditor conducted audit for MSPO scheme and ISO scheme until present .	He has more than 7 over years of experience in oil palm industry in which, previously working with MPOB as Research Officer and UiTM Jengka, Pahang as a lecturer under Faculty of Plantation and Industry Management. Currently a freelance MSPO Lead Auditor/Auditor and a consultant.
Training	<p>Lead: Successfully completed the scheme owner endorsed lead auditor training (5 days) and; (NOTE: The above training certificate is valid for 5 years. Re-attend the lead auditor training is required</p>	Completed attend all compulsory training as per below : i. Completed Lead audit course for MSPO 2022 version ii. Completed	He has successfully obtained competency of Lead Auditor courses for Malaysian Sustainable Palm Oil (MSPO 2530:2022) and Auditor/ Lead Auditor Integrated Management System

	<p>before the expiry or whenever there are changes in the MSPO Standard) Undergone 40 hours of lead auditor course in Quality Management Systems (QMS) AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH&SMS); OR Lead Auditor for Integrated Management System (IMS).</p> <p>Auditor: Successfully completed the scheme owner endorsed lead auditor training (5 days) and; (NOTE: The above training certificate is valid for 5 years. Re-attend the lead auditor training is required before the expiry or whenever there are changes in the MSPO Standard) Undergone 40 hours of auditor course in Quality Management Systems (QMS) AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH&SMS); OR Lead Auditor for Integrated Management System (IMS).</p>	<p>iii. Lead auditor course for ISO 9001 Exemplar Global iv. Completed Lead auditor course for IMS Exemplar Global v. Completed Lead auditor course for MSPO SCCS vi. Completed SA 8000 Basic Course.</p>	<p>(IMS) (ISO 9001:2015 & ISO 14001:2015) course. Furthermore, he also is a qualified MPOB Code of Practice (CoP) Lead Auditor.</p>
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Auditing Experience	<p>Lead:</p> <p>Conducted at least three (3) MSPO or equivalent sustainability certification audits OR a minimum of fifteen (15) man-days, whichever with more man-days, as lead auditor-in-training under the direction and guidance of a qualified lead auditor for MSPO.</p> <p>Maintenance - Conducted a minimum of four (4) different on-site MSPO Certification audits annually as lead auditor.</p> <p>Auditor:</p> <p>Qualification - Conducted a minimum of four (4) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified lead auditor for MSPO.</p> <p>Maintenance - Conducted a minimum of four (4) on-site MSPO Certification audits annually.</p>	<p>He Had conducted more than 100 mandays for MSPO part 2, part 3 and part 4.</p> <p>For MSPO part 3 under MS 2530:2022 version as of todate completed 3 MSPO audit.</p>	<p>He had successfully completed more than 400 man-days assessment as MSPO Auditor since 2019.</p> <p>Apart of MSPO audit, he also had performed MPOB Code of Practices (CoP) for Oil Palm Nursery (CoPN), Code of Good Agricultural Practices (CoGAP) and Code of Good Milling Practices CoPM) certification under MPOB since 2013.</p>
General	<p>A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language</p>	<p>He having good knowledge in auditing skill base on his experience more than 7 years. Able to communicate in Bahasa Malaysia and English Language. Well verse in MSPO requirement and estate best practice.</p>	<p>Able to communicate in Bahasa Malaysia and English Language. Well verse in MSPO requirement and estate best practices.</p>

OPENING MEETING & CLOSING MEETING CRITERIA

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; 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.

THE AUDIT PROGRAMME MATRIX

(legend “☒” plan to cover/ covered, “☐” for not applicable)

Applicable principle/ Tentative Planned Year	12/2024	10/2025	10/2026	10/2027	10/2028
Internal Audits	☒	☒	☒	☒	☒
Stakeholder consultation / survey	☒	☒	☒	☒	☒
Use of MSPO logo	☒	☒	☒	☒	☒
Follow-up from previous audit finding	☒	☒	☒	☒	☒
Man-day Allocation					
Public Notification	☒	☒	☒	☒	☒
4.1 Management Commitment & Responsibility					
4.1.1 MSPO Policy	☒	☒	☒	☒	☒
4.1.2 New Planting	☒	☒	☒	☒	☒
4.1.3 Existing site management	☒	☒	☒	☒	☒
4.1.4 Replanting	☒	☒	☒	☒	☒
4.1.5 Training and Competency	☒	☒	☒	☒	☒
4.1.6 Economic and financial viability plan	☒	☒	☒	☒	☒
4.1.7 Commitment to contribute to local sustainable development	☒	☒	☒	☒	☒
4.1.8 Complaints and grievances handling	☒	☒	☒	☒	☒
4.1.9 Internal audit	☒	☒	☒	☒	☒
4.1.10 Management Review	☒	☒	☒	☒	☒
4.2 Transparency					
4.2.1 Communication and Consultation	☒	☒	☒	☒	☒
4.2.2 Traceability	☒	☒	☒	☒	☒
4.2.3 Transparent and fair price dealing	☒	☒	☒	☒	☒
4.2.4 Ethical conduct					
4.3 Compliance to legal requirements					
4.3.1 Regulatory requirements	☒	☒	☒	☒	☒
4.3.2 Right to use land	☒	☒	☒	☒	☒
4.3.3 Native customary rights	☒	☒	☒	☒	☒
4.4 Responsibility to social, health, safety and employment conditions					
4.4.1 Social impact assessment (SIA)	☒	☒	☒	☒	☒
4.4.2 Employee’s safety and health	☒	☒	☒	☒	☒
4.4.3 Employment conditions	☒	☒	☒	☒	☒
4.4.4 Living conditions	☒	☒	☒	☒	☒
4.5 Environment, natural resources, biodiversity and ecosystem services					
4.5.1 Environmental management	☒	☒	☒	☒	☒
4.5.2 Efficiency of energy use and use of renewable energy	☒	☒	☒	☒	☒
4.5.3 Waste management and disposal	☒	☒	☒	☒	☒
4.5.4 GHG emissions	☒	☒	☒	☒	☒
4.5.5 Water resources	☒	☒	☒	☒	☒
4.5.6 Environmental conservation and protection	☒	☒	☒	☒	☒
4.5.7 Zero burning practices	☒	☒	☒	☒	☒

Note: Surveillance Audit shall be conducted within 12 months after the certification date but not less than 9 months. Recertification shall be carried out minimum 2 months prior to the expiry of the certificate.

CONCLUSION OF 5 YEARS REVIEW		
1	The company has demonstrated effective implementation and maintenance/improvement on its management system	<input checked="" 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

CHANGES OF THE 5 YEARS AUDIT PROGRAMME
<input checked="" type="checkbox"/> YES , Justification: Fromr Grouping certification to single certification. Audit go for new standard of MSPO 2.0.
<input type="checkbox"/> NO , Justification:

SAMPLING METHODOLOGY (GROUPING ONLY)
<p>Sampling of the operating units to be audited has been conducted in accordance with the Risk Management (MSPORMP) documents as below:</p> $S = r \sqrt{n}$ <p>Risk Level: Choose an item. $S = \text{Choose an item. } (\sqrt{\text{Total Number of Group Entity}}) = \text{Number of Sampling Site}$</p>
<p>The selected operating units to be audited in Year Choose an item.: Not applicable as this is single certification.</p>

PREVIOUS AUDIT FINDING

The results of the last audit system have been reviewed, to ensure appropriate correction and corrective action has been implemented to address any non-conformity identified. The detail of verification is included below and concluded that:

<input type="checkbox"/>	No non-conformity / area of concern raised during last audit.
<input type="checkbox"/>	All non-conformity / area of concern identified during last previous audit have been corrected and the corrective action effective and acceptable.
<input type="checkbox"/>	One or more non-conformity / area of concern identified during last previous audit not effectively addressed and the specific non-conformity re-issued in the 'Current Audit Result & Non-Conformity Information' section of this report.

Verification of Previous Audit Result & Non-Conformity Information			
Stage of Previous Audit	Surveillance Assessment Visit (SAV) No. 4		
Date of Audit	27/11/2023 to 29/11/2023		
No of Findings	Nil Major Non-Conformance/s	Nil Minor Non-Conformance/s	Nil OFI
Status/ Remark	The team leader has reviewed the continuous improvement actions taken to address the observations from the previous review and is satisfied with the commitment to maintain compliance in the journey towards achieving sustainable palm oil.		

CURRENT AUDIT FINDING

Based on the objective evidence reviewed, observed, and discovered during this assessment, the assessors concluded that COMPANY **Complies** with the MS 2530-3-1: 2022; Malaysian Sustainable Palm Oil (MSPO) standard and requirements. The following findings were identified:

CATEGORY	Number of Finding (s)				
	P1	P2	P3	P4	P5
<i>Major Nonconformity (Major NC)</i>	Nil	Nil	Nil	Nil	Nil
<i>Minor Nonconformity (Minor NC)</i>	Nil	Nil	1	3	1
<i>Opportunity for Improvement (OFI)</i>	2	Nil	1	Nil	3

SUMMARY OF THE FINDING/S:

PRINCIPLE 1	<p>Verified all requirement in principle 1 had been review for the compliance, however below issues need to be properly address:-</p> <p>OFI 4.1.1.1 The MSPO policy documents are currently reflecting the outdated company name instead of the correct and updated name, "Koperasi Sri Nara Kampung Kundur Hulu Pedas Berhad."</p> <p>OFI 4.1.3.4 During the site visit, it was observed that field block markings were not installed for each block. However, it was noted that management is actively working on this issue, as evidenced by a quotation request for block signage submitted to vendors pending approval from top management.</p>
PRINCIPLE 2	<p>Verified all requirement in principle 2 had been review for the compliance in terms of documentation review and practice compliance.</p>
PRINCIPLE 3	<p>Verified all requirement in principle 3 had been review for the compliance, however below issues need to be properly address:-</p> <p>OFI 4.3.1.2 Verified the MPOB license details need to be review for the Lot number registered for Lot 876 and to replace by the new lot number 2452 . The estate address need to be amend for the district instead of Rembau change to Pedas and the land of estate area to be amend as according total land title 199.33ha.</p> <p>Minor NC 4.3.1.2 The number of employees employed and working in the estate including contractor workers are more than 5 workers. However, there is no competent person who attend the OSH coordinator course as required under Section 29A(1), OSH Act 1994 (amended 2022)</p>
PRINCIPLE 4	<p>Verified all requirement in principle 4 had been review for the compliance, however below issues need to be properly address:-</p> <p>Minor NC 4.4.1.1 The organization has conducted the Social Impact Assessment as sighted during audit day. However, the assessment was not made according to the Guideline and Approach established by MSPO.</p> <p>Minor NC 4.4.3.2 Based on interview session and document review, it was found that the passport of three (3) foreign workers are kept by the contractor which against the requirement under this clause.</p> <p>Minor NC 4.4.3.5 It was found that the organization and contractor's workers are paid using cheque and cash respectively. This is against the Section 25(A) Employment Act 19995 (amended 2022) which requires Director approval for payment of wages other than financial institution.</p>

PRINCIPLE 5	<p>Verified all requirement in principle 5 had been review for the compliance, however below issues need to be properly address:-</p> <p>OFI 4.5.1.2 The organization has provided EIA as sighted during audit day. The assessment can be further improved if management can incorporate the FFB transportation and buffer zone protection into the assessment.</p> <p>Minor NC 4.5.4.1 The management has not yet commenced monitoring greenhouse gas (GHG) emissions, as the GHG calculator is still under finalization by the scheme owner. This delay could hinder the organization's ability to assess its environmental impact and comply with sustainability goals.</p> <p>OFI 4.5.6.1 The High Conservation Value (HCV) assessment has been conducted by estate management; however, the methodology used and the content of the report do not align with the comprehensive standards outlined in the HCV guidelines, which have yet to be finalized by the scheme owner. This gap may result in insufficient identification and management of high conservation values within the estate. It is recommended that management closely monitor the development of the finalized guidelines and subsequently revise the HCV assessment to ensure it meets the required standards and effectively addresses conservation needs.</p> <p>OFI 4.5.6.2 The organization has provided management plan for wildlife identify in the estate. The plan can be further improved if management can consider to include monitoring of wildlife and training for employees on wildlife conservation.</p>
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NOTE:

By the virtue of random sampling approach, there may exist chances of non-conformities not being identified during the assessment. Such occurrence shall therefore not be related with the assessor's competency and integrity in any way.

AUDIT CONCLUSION & RECOMMENDATION

The audit team conducted a process-based audit, focusing on significant aspects and risk objectives required by the standard(s). The audit methodology employed the 3P approach: People, Paper, and Practice. The audit team concludes and expresses:

- CONGRATULATIONS; the management system is in full compliance.
- CONGRATULATIONS; however, some processes need to address non-compliance(s).
- SORRY; the organization has not established and maintained its management system

in line with the requirements of the standard and has

- demonstrated
- not demonstrated

the ability of the system to systematically achieve agreed requirements within the scope of the organization.

Based on the records, there are 5 unresolved issues. Therefore, the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity, the management system certification be:

- Granted (initial certification or recertification)
- Granted upon the acceptance of the non-compliance(s)
- Continued (surveillance)
- Continued (surveillance) upon the acceptance of the non-compliance(s)
- Withheld
- Suspended until satisfactory corrective action(s) is completed
- Other (please specify)

Please note that this conclusion and recommendation are based on audit sampling within the organization's management system and therefore do not guarantee 100% conformity with all requirements.

STAKEHOLDER CONSULTATION

Stakeholder Details	The Input/ Comments	The Output/ Response
Harvesting Contractor	The contractor stated that no issue with estate management in term of payment and work order. Payment had been made in timely manner	Management will ensure to maintain good rapport with the surrounding neighbourhood. The management will ensure the payment made to the contractor will always in timely manner. To maintain good current good practice with the all the relevant stakeholders.
MPOB Officer Cawangan Seremban	The officer are informed that the estate always give best cooperation during his visit to the estate. No issue with the estate management	
FFB Buyer	No issues on the crop receive from the company as of todate.	

Audit Team Conclusion	The audit conclude that the management were able to maintain good relationship with their stakeholders by giving best cooperation and maintain good practice as to ensure no issues or complaint with their stakeholder and if there is issues they always discuss and resolve the matter in proper manner which is that being mention by the interviewed stakeholders.
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NOTE:

With reference to MSPO Certification Scheme Document dated 05 January 2023 **4.8 STAKEHOLDER CONSULTATION**. Whenever deemed applicable, stakeholder consultation/ interview may be held in order to obtain the internal and external stakeholders' inputs on the Company's compliance towards the MSPO standards and stakeholders' views on areas where the Company could improve. Such consultation will be conducted professionally and in absolute isolation from the Company officials. All comments made by the stakeholders will be recorded and presented in this assessment report.