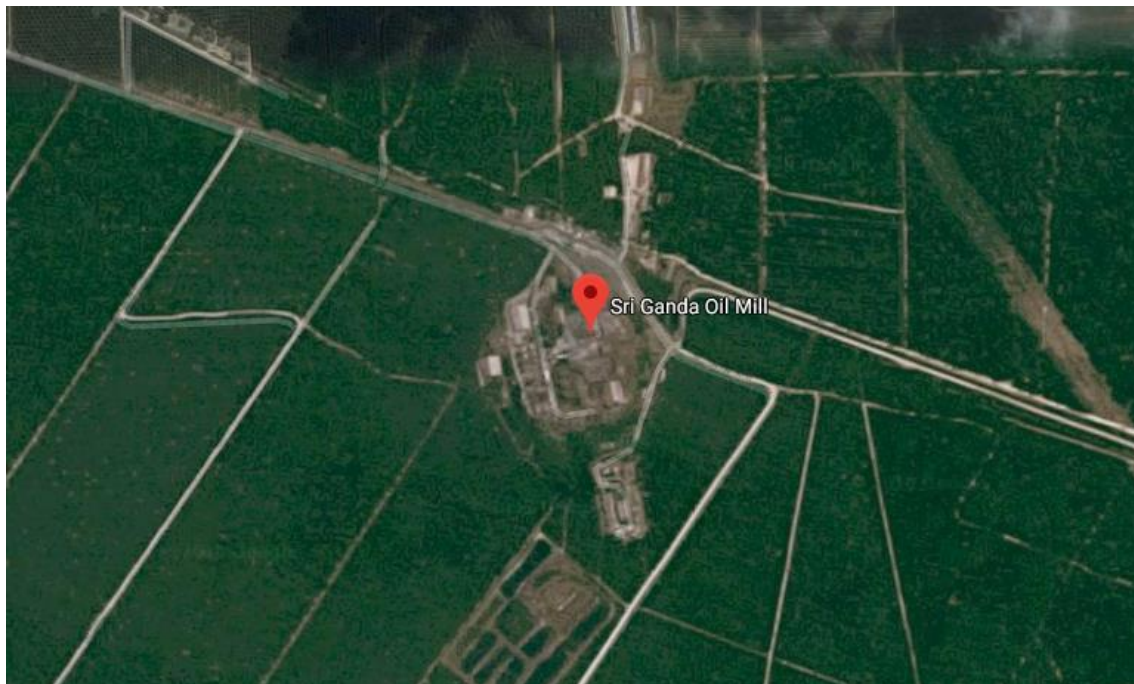


MSPO Audit Summary

Company Name:	Sri Ganda Oil Mill Sdn Bhd (Plantation Division)
Address:	Batu 10, Off Batu 7, Jalan Changkat Jong, PO Box 97, 36008 Teluk Intan, Perak
Reference No.:	100059
Standard(s):	MS 2530-3:2013
MPOB licence no: (for group certification, list all licences no. in the group)	508667402000
MPOB licence scope of activity:	Menjual dan mengalih FFB.
MPOB Licence expiry date:	31/05/2019
Audit Type:	<input checked="" type="checkbox"/> Stage 2 Audit <input type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	Provision of oil palm plantation
Sites sampled: (for group certification only)	n/a

GPS Coordinate: N 3° 54' 47.012" E 101° 11' 56.219"**Map showing approximate location of certified entity:**

Audit date:	07/11/2018 to 08/11/2018
Total number of man-day(s):	3.0 man-day(s)

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 / +603-5525 8359)



(for MSPO Part 2 & Part 3) Planted Area:	<input type="checkbox"/> Not applicable 1181.58 ha.
(for MSPO Part 2 & Part 3) Estimated tonnage of annual FFB produced:	<input type="checkbox"/> Not applicable 26000 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 dd/mm/yyyy to dd/mm/yyyy
Please state if the organization certified for other sustainability scheme(s)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, _____

Executive Summary

Stage 2 audit was conducted on 7th to 8th November 2018 with total man-days was allocated according to ACB – OPMC 2: Audit Duration for Certification Bodies Operating Oil Palm Management Certification Under the Malaysian Sustainable Palm Oil (MSPO) Certification Scheme.

Summarization of audit has considered the input gathered as in P&C checklist and give the evaluation result on the effectiveness of implementation within the organization. MSPO Policy dated on 1-1-2018 (SGOM-P1-1) and signed by Director has demonstrated the commitment from top management to address their intent to participate in MSPO scheme at first time in their operation.

Therefore, the audit team is enabling to sight the adequacy of established system structure to drive organization towards effectiveness of implementation. It driven the focus to continual improvement subject as refer to Improvement Action Plan. It shows that organization has a good path for their achievement in business and commitment against sustainability elements.

Legal compliance is generally maintained through List of Applicable Legal and Other Requirements (SGOM-P3-1) to manage the applicable laws to ensure complying and prevent legal action. It was however, inconsistency was found as refer to Appendix A.

Current risk in sustainability identified through HIRARC documents to measure and demonstrate adequate control. The standard format has been used for all sites and after sample of activity being made, it was noted to be consistent as per HIRARC document. There is also, the input captured throughout the interview session where the personnel are aware and value the importance on the risk management to ensure the occupational safety and health at workplace area secured.

Stakeholder consultation has been scheduled as per planned with two (2) stakeholders were participated. Based from conversation done, no prolonged conflict being experienced by the organization and any issues raised, the measurement or progress of activity to seek resolution has been executed in proper manner.

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 / +603-5525 8359)



There were interview sessions carried out to capture feedback from internal stakeholders such as harvesters, mandor, first aider, operator, general operator and loose fruit collector. In overall, all sampled estates are given a positive result and no significant violation towards employment, employees safety and health, environmental, natural resources, biodiversity and ecosystem services.

There is also a significance good finding in site management to reflect good productivity being reported (yield). As a conclusion, sustainability process and implementation were displayed and has been valued to the company's management system program.

The auditors had also listed the areas of improvement for organization to evaluate on current practice and analyse the second opinion from auditor as described in section 5 of this audit report.

Listing of strength / strong point identified:

No	Strength Statement
1.	<i>Good relationship between workers and management (based from immediate respond during audit by workers).</i>
2.	<i>Commitment by top management was demonstrated during audit.</i>

Listing of improvement potential / opportunities for improvement (OFI)

No	OFI Statement
1.	<i>Improvement action plan form is designed for proposing the potential improvement for better system implementation. The subjects are involved current situation and expected future situation to align with improvement objectives. The process can consider to including the supporting data or trend of current issues (problems) that lead to decision making for improvement. This may help to provide rationale information on the value of improvement plan.</i>
2.	<i>To consider convert established Request for Information / Document Form in other language like Bahasa Malaysia for any stakeholder that may not familiar with English.</i>
3.	<i>Legal Compliance Evaluation Form was established but not being optimally utilized. Company has already established the system to evaluate the compliance process against legal, however activation of this process should be reviewed again.</i>
4.	<i>To consider involve different functions (Safety Officer, Environmental Officer, HR personnel) who is subject matter expert to monitor compliance and to track and update the changes in regulatory requirement.</i>
5.	<i>Social Impact Register No 4 under Education & Training with potential impact of transfer skill and knowledge. The affected stakeholder identified are local community. However, mitigation measures were planned for workers instead of local community (e.g. training for spraying process, MOPIC seminar and palm oil pest management).</i>
6.	<i>To consider convert established Stakeholder's Complaint / Feedback / Suggestion Form in other language like Bahasa Malaysia for any stakeholder that may not familiar with English.</i>
7.	<i>Mandor has selected as first aider and found to have a basic knowledge of handling the event of emergency. A proper training would consider given to him by taking consideration of extensive exposed hazard in plantation that potentially occur in the workplace.</i>

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 / +603-5525 8359)



8.	<i>CHRA assessment to be expired by 21/Oct/18, it seen to be a risk for company that could against USECHH regulation as company just appointing the competent to do re-assessment. A more sufficient gap of month can consider to be fixed prior redoing the new assessment.</i>
9.	<i>S&H Committee has been established & displayed through organization Chart. Representation of committee members (employee representative and employer representative) should be adhered to align with applicable laws as for better OSH practice in the organization.</i>
10.	<i>OSH Meeting has been conducted in meeting with OSHA requirement. The meeting agenda can consider to include other subject from OSHA context such as agriculture department visitor feedback to demonstrate responsiveness of safety personnel towards workplace safety.</i>

Listing of nonconformity (NCR)

No	Clause	NCR Statement	NCR status
1.	4.3.1	<i>No safety inspection was conducted to inspect the place of work as required by law at least 3 months once for the safety & health of persons employed therein (Reg 12 of OSH (SHC 1996) Reg)</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
2.	4.5.4.1	<i>The standard was required for an assessment of all polluting activities shall be conducted, including greenhouse gas emissions. No evidence of assessment being conducted to measure the emissions from plantation activities.</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
3.	4.3.1	<i>CHRA Report on 21 Nov 2013 has addressed the recommendation as stated in Form F of the report; - Item 5 under Health Surveillance: A requirement for company to conduct medical surveillance for company exposed to paraquat. - Item 3 (monitoring of Air Contaminant) – recommendation to conduct personal monitoring to determine paraquat. Monitoring to be conducted by Hygiene Technician registered with DOSH. Onsite assessment was observed that no evidence of activities being conducted to comply the requirement.</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.
Remarks: <i>Both Stakeholders show awareness of MSPO and give positive feedback on Sri Ganda Oil Mill includes support on sumbangan to school and surau, vehicle speed control to reduce risk to student. Stakeholders are aware of the communication via verbally with Estate manager and write in for any feedback and complaint. However, the familiarization of established Stakeholder's Complaint / Feedback / Suggestion Form can be further enhanced.</i>	

Certification recommendation

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

<input type="checkbox"/> Issuance of the certificate.

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 / +603-5525 8359)



<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:	11/2019
----------------------------	----------------

Company Representative	
Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Ng Yau Koon
Position:	Estate Manager
Tel:	+605-6260 457
Email:	sriganda2003@gmail.com
PCI Audit Team Leader	
Name:	Daman Huri Mohammad
Area of expertise	Environmental, health & safety, HIRARC
Tel:	+603-5525 8359
Email:	info@pci.com.my
PCI Audit Team Member 1	
Name:	Lim Aik Loong
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)	Social economic, quality management, business management