

GLOBAL GATEWAY CERTIFICATIONS

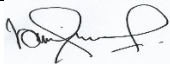

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)


CERTIFICATION AUDIT REPORT

Part 2: General Principles for Independent Smallholders

Malaysian Palm Oil Board
Sustainable Palm Oil Cluster Tawau (S28) Tawau, Sabah.

MAIN ASSESSMENT 26th November 2018 – 28th November 2018

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	3/12/18	Issued as Draft Report	Ismadi bin Ismail	Lead Auditor	
B	4/1/2019	Incorporated Peer Review Comments and Issued for Final Report	Ismadi bin Ismail	Lead Auditor	

Acknowledgment by MPOB, Tawau, Sabah.					
Rev	Date	Description	Management Representative	Role	Signature
B	4/1/2019	Acceptance of the contents	Mohd Zaidi bin Mapaita	Group Manager	

Declaration

The auditor(s) has (had) no personal, business or other ties to the client and the assessment is carried out objectively and independently.

WITH INTEGRITY WE SERVE



Table of Contents

SECTION I : PUBLIC SUMMARY REPORT	3
1.1 Certification Scope	3
1.2 Company details and Contact information.....	3
1.3 Certification Unit.....	4
1.4 Map Showing Geographical Location	9
1.5 Production Area, Actual and Projected FFB Production (MT)	9
1.6 Certificate Details.....	10
1.7 Qualification of the Lead Assessor and Assessment Team.....	11
1.8 Audit Methodology.....	12
1.9 Audit Plan Information	12
1.10 Audit Result Summary Findings.....	12
1.11 Stakeholder Consultation.....	13
1.12 Recommendation.....	14
1.13 Date of Next Surveillance Audit.....	14
1.14 Confidentiality	15
1.15 Abbreviations Used	15
SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA	15
2.1 Principle 1 : Management commitment and responsibility.....	15
2.2 Principle 2 : Transparency	15
2.3 Principle 3 : Compliance to legal requirements.....	15
2.4 Principle 4 : Social responsibility, health, safety and employment condition	15
2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services.....	15
2.6 Principle 6 : Best practices.....	15
2.7 Principle 7 : Development of new planting.....	15
2.8 Details of Audit Findings.....	15

Note: Section II of this report contain confidential information and been protected from public disclosure.

SECTION I: PUBLIC SUMMARY REPORT

1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of Sustainable Palm Oil Cluster (SPOC) Tawau (S28) Tawau located in Sabah. This certification unit is located at 30 KM from Tawau Airport. There are 51 numbers of small holder in this certification unit. The smallholders' estate area are Balung, Apas, Kalumpang and Tawau. The plantations will be managed by MPOB Tawau Branch.

During this Main Assessment (Stage 2) Audit, the audit team briefed by Group Manager and his team, of the supply base disposition. At this moment, SPOC Tawau (S28) Tawau have 51 smallholders totalling of 346.04 Hectare.

The formula for calculating sample size of the audit is explained in the risk classification determination as per Malaysian Sustainable Palm Oil (MSPO) Risk Management (Doc No: MPOB/MSPO/RMP/06 dated 19 Nov 2013). Thus, 14 smallholders were sampled for documentation verification and site visit.

This assessment was conducted onsite from **26th November 2018 to 28th November 2018** by 3 auditors to assess the compliance of the certification unit against the **MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Smallholders and MSPO Guidance - Part 2_Edited Version (100114)**.

As per the MSPO System Document's requirements, GGC already conducted Stage 1 Audit on 14th August 2018.

The scope of certification is "Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches".

1.2 Company details and Contact information

Company Name	Malaysia Palm Oil Board (MPOB)
---------------------	--------------------------------

Business Address	Malaysia Palm Oil Board (MPOB), SPOC Tawau (S28) Tawau, Ground Floor, Lot 3477, Lorong Abaca, Jalan Masjid, Beg Berkunci No.5, 91000 Tawau, Sabah, Malaysia.
-------------------------	--



Contact Person Mr. Mohd Zaidi bin Mapaita (Group Manager)

Office Telephone +6089-755813

E-Mail mzaidi@mpob.gov.my

1.3 Certification Unit

Name of the Certification Unit Sustainable Palm Oil Cluster (SPOC) Tawau S28 Tawau, Sabah.

Site Address Malaysia Palm Oil Board (MPOB), SPOC Tawau (S28) Tawau, Ground Floor, Lot 3477, Lorong Abaca, Jalan Masjid, Beg Berkunci No.5, 91000. Tawau, Sabah, Malaysia.

GPS Reference of the site office

Longitude	E 117° 53' 16.3"
Latitude	N 4° 14' 45.5"

Others Sustainability Certification Nil

Member Site Details

No.	Name	Lot No.	Longitude	Latitude	Address
1	Abd Razak B AG Tuah	NT 103024568	118.08°05.6"E	4.17°59.8"N	Kg Apas Juragan Batu 15, 91000 Tawau Sabah
2	Ahmad B Kadir	FR 104013096	118.04°06.2"E	4.16°02.3"N	kg Sungai Apas, 91000 Tawau Sabah
3	Aisah BT Ali @ Yali	NT 123027734	118.25°85.99"E	4.52°49.21"N	TB 16975 Lot 197, Tmn King Fook jln utara 91000 Tawau Sabah
4	Alias Bin Ali	NT 123027841	118.25°38.61"E	4.522°7.01"N	TB 16975 Lot 197, Tmn King Fook jln utara 91000 Tawau Sabah
5	Alimin B Alias	NT 123026899	118.27°25.06"E	4.52°76.81"N	TB 16975 Lot 197, Tmn King Fook jln utara 91000 Tawau Sabah
6	Andi Mohd Ariffin B Mappiare	NT 123042366	118.28°18.8"E	4.50°70.6"N	U/p Andi Arisban B Andi Ariffin, Kolej Komuniti Tawau Sabah. 91000 Sabah
7	Saparinah Binti Arip	FR 104014655	118.09°52.0"E	4.19°0.42"N	Kg Inderasabah Balung, 91000 Tawau Sabah
8	Aslan B Supu	CL 125348861	118.27°25.06"E	4.52°76.81"N	Batu 4, Jln Apas 91000 Tawau Sabah
9	Fong Yun Sang @ Chung Yun Sang	NT 103032668	118.04°46.13"E	4.53°30.83"N	No. 8521, Lorong 3/3 Tmn Mega Jaya Batu 3.5 Jln Apas, 91000 Tawau Sabah



10	Francis Kilau Anak Engao	CL 105494077	118.02'11.7"E	4.20'01.0"N	Kg Serudung Baru, Apas 91000 Tawau
11	Gelord Emol	CL 105427441	118.10'59.3"E	4.34'55.6"N	TB3908 Shangrila Park Jln Chong Thien Vun, 91008 Tawau Sabah
12	Hamka B Kasma	NT103030824	118.06'59.10"E	4.54'05.44"	No. 8521, Lorong 3/3 Tmn Mega Jaya Batu 3.5 Jln Apas, 91000 Tawau Sabah
13	Hendry James	CL 105427674	118.09'28.4"E	4.19'21.7"N	Kg Inderasabah Balung, 91000 Tawau Sabah
14	Hong King Poi	CL 105352887	118.12'30.8"E	4.21'29.3"N	Taman Painary Hight Sin Onn Tawau, 91000 Tawau Sabah
15	Ismail Bt Kasma	NT103031107	118.05'03.39"E	4.56'70.50"N	No. 8521, Lorong 3/3 Tmn Mega Jaya Batu 3.5 Jln Apas, 91000 Tawau Sabah
16	Jenat A/K Ungkok	CL105494013 83	118.01'33.4"E	4.20'46.7"N	Kg Serudung Baru, Apas 91000 Tawau
17	Jilul Bin Jukal	FR 104014600	118.09'56.3"E	4.18'58.1"N	Kg Inderasabah Balung, 91000 Tawau Sabah
18	Jonathan Graham Lim	CL 105438337	118.18'51.52"N	4.46'66.4"N	House 30, Lorong 22, Tmn Sri Kepayan, Phase 8, 88200 Kota Kinabalu, Sabah
19	Jorlah @ Juriah Abak	FR 1152	118.04'05.6"E	4.16'37.8"N	Kg Blok 31, Batu 17, Jln Apas 91007 Tawau
20	Juharia Bt Mado	CL 105494335	118.01'23.5"E	4.19'39.3"N	Rancangan Batu 22, 91309 Tawau Sabah
21	Ka Chee Jeng	CL10535525 CL105535527 1	118.00'27.5"E	4.19'17.3"N	No 7841, Taman Bestari jln Air Panas 91000 Tawau Sabah
22	Landang @Jais Maan	NT22091	118.4'13.8"E	4.16'38.1"N	Kg Sg Apas batu 15, 91000 Tawau Sabah
23	Lee Chiew Moi	CL 105352896	118.12'40.0"E	4.21'29.1"N	Taman Painary Hight Sin Onn Tawau, 91000 Tawau Sabah
24	Lo Kim Hau @ James Lu	CL 105355084	118.00'30.4"	4.20'07.0"N	P/S No. 454, 91007 Tawau Sabah
25	Lusy Bt Mayang	NT103046457	118.02'10.2"E	4.20'33.5"N	Kg Serudung Baru, Apas 91000 Tawau
26	Maimonah Bt Ngalid	CL 105493963	118.01'03.8"E	4.20'52.5"N	Kg Serudung Baru, Apas 91000 Tawau
27	Mardianah Bt Shahrin	NT103028244	118.00'38"E	4.18'01"N	Kg Ranggu Apas, 91000 Tawau Sabah
28	Mariam Bt Harun	NT 237	118.04'06.2"E	4.16'09.4"N	Kg Sg Apas batu 15, 91000 Tawau Sabah
29	Merry Anak Angkong	NT103051556	118.02'03.3"E	4.20'23.0"N	Kg Serudung Baru, Apas 91000 Tawau
30	Minggu A/K Aji	CL 105494095	118.2'03.3"E	4.20'12.7"N	Kg Serudung Baru, Apas 91000 Tawau
31	Mohamad Azhar Moktar	NT103021270 2	117.58'39"E	4.17'43"N	Kg Ranggu Apas, jalan Mansur, 91000 Tawau Sabah
32	Mohd Yusri Bin Mawi	NT103021270	118.26'82.88E	4.58'27.31"N	TB 16975 Lot 197, Tmn King Fook jln utara 91000 Tawau Sabah
33	Munandar B Tahir	NT103042806	118.10'59.3"E	4.34'55.6"N	Jabatan Tanah Daerah Tawau, 91000 Tawau Sabah
34	Norsana Bt Omok	NT 10302399	118.5'34.4"E	4.16'47.1"N	Kg Sg Apas batu 15, 91000 Tawau Sabah



35	Nur Maizura Bt Ahmad @ Mohammad	NT103030815	118.06'35.33"E	4.54'41.56"	No. 8521, Lorong 3/3 Tmn Mega Jaya Batu 3.5 Jln Apas, 91000 Tawau Sabah
36	Rahaniah Bt Sudin	NT103052580	118.11'34.0"E	4.31'49.0"N	Kg Muhibbah Raya 91000 Tawau Sabah
37	Sabat Bt Omok	NT 10302399	118.06'34.1"E	4.17'13.6"N	Kg Sg Apas batu 15, 91000 Tawau Sabah
38	Sahara Bt Talip	NT103024451	118.05'12.4"E	4.16'45.8"N	Batu 15, Jalan Apas 91007 Tawau Sabah
39	Saidah Bt Banjar	NT103055189	118.09'48.9"E	4.18'56.7"N	Kg Inderasabah Balung, 91000 Tawau Sabah
40	Sainal Abidin Bin Talibe	NT103039872	118.09'08.8"E	4.31'11.6"N	TB8030 Lorong 6, Tmn Bukit Bintang, Jln Sin Onn, 91000 Tawau Sabah
41	Samsudin Bin Labandu	CL 105363193	118.9'43.3"E	4.20'53.1"N	X211, Jalan Pantai 91000 Tawau Sabah
42	Sitti Komariah Bt Arshad	NT123027805	118.15'17".3E	4.31'10".1N	TB 16975 Lot 197, Tmn King Fook jln utara 91000 Tawau Sabah
43	Sri Mawar Wulan Bt Abd Hamid	NT103042799	118.11'00.2"E	4.34'54.8"N	Jabatan Tanah Daerah Tawau, 91000 Tawau Sabah
44	Tiu Chon Kiat	CL 105352145	118.13'20.0"E	4.21'52.6"N	Kg Sg Burung Tawau 91000 Tawau Sabah
45	Utok @ Ednin B Yunos	CL 1159	118.00'46.0"E	4.14'57.5"N	Kg Jawa 91000 Tawau Sabah
46	Woo Ng Loy	CL 105371524	118.14'10.9"E	4.22'14.5"N	TB 3183, Taman Villa, Bt 2 1/4, Jln Sin On, 91000 Tawau. Sabah.
47	Woo Nyuk Lan	CL 125325402	118.20'5.0"E	4.25'13"N	P/S 61712,91008 Tawau Sabah
48	Yeoh Kim Ngo	CL 105432086	118.09'14.6"E	4.31'19".3N	TB 2601 Lorong 7, Jln Datuk Chong Thien Vun, 91000 Tawau Sabah
49	Yeow Hoe Hee	CL 105362767	118.11'01.2"E	4.24'51.5"N	Taman Lily Sin Onn, 91000 Tawau Sabah
50	Zulkarnain B Abbas	CL 125348834	118.44'15"E	4.47'92"N	TB 10486 Lorong 7/1, Taman Mega Jaya 91000 Tawau Sabah
51	Usahawan Ali Plantation (Alias Ali)	NT12502781 NT123027823, NT123027850, NT123027912	118.15'19.9"E	4.31'12.9"N	Kampung Haji Matahir, Peti Surat 62427, 91034 Tawau

MPOB License Information

No	Name of Member	Licence Number	Expiry Date	Scope Activity
1	Abd Razak B AG Tuah	277168-201000	31/3/2022	Jual buah tandan segar
2	Ahmad B Kadir	285590-801000	31/10/2023	Jual buah tandan segar
3	Aisah BT Ali @ Yali	467831-001000	30/4/2021	Jual buah tandan segar
4	Alias Bin Ali	445892-101000	31/12/2019	Jual buah tandan segar
5	Alimin B Alias	597050-701000	31/3/2023	Jual buah tandan segar
6	Andi Mohd Ariffin B Mappiare	282871-401000	30/9/2021	Jual buah tandan segar
7	Saparinah Binti Arip	496678-101000	31/09/2022	Jual buah tandan segar



8	Aslan B Supu	597046-901000	31/3/2023	Jual buah tandan segar
9	Fong Yun Sang @ Chung Yun Sang	278330-301000	30/4/2020	Jual buah tandan segar
10	Francis Kilau Anak Engao	413717-301000	31/12/2022	Jual buah tandan segar
11	Gelord Emol	278413-001000	30/6/2020	Jual buah tandan segar
12	Hamka B Kasma	318426-201000	31/12/2020	Jual buah tandan segar
13	Hendry James	276752-901000	31/5/2021	Jual buah tandan segar
14	Hong King Poi	576916-001000	28/12/2022	Jual buah tandan segar
15	Ismail Bt Kasma	417165-701000	31/3/2023	Jual buah tandan segar
16	Jenat A/K Ungkok	431801-101000	28/2/2019	Jual buah tandan segar
17	Jilul Bin Jukal	599400-701000	31/5/2023	Jual buah tandan segar
18	Jonathan Graham Lim	486726-101000	31/3/2022	Jual buah tandan segar
19	Jorlah @ Juriyah Abak	Tiada	Tiada	
20	Juharia Bt Mado	440121-101000	31/8/2019	Jual buah tandan segar
21	Ka Chee Jeng	319882-401000	31/5/2021	Jual buah tandan segar
22	Landang @Jais Maan	444829-201000	31/1/2019	Jual buah tandan segar
23	Lee Chiew Moi	576917-801000	25/2/2022	Jual buah tandan segar
24	Lo Kim Hau @ James Lu	280119-101000	31/1/2022	Jual buah tandan segar
25	Lusy Bt Mayang	482116-301000	31/12/2021	Jual buah tandan segar
26	Maimonah Bt Ngalid	523294-801000	30/6/2019	Jual buah tandan segar
27	Mardianah Bt Shahrun	406635-701000	31/5/2022	Jual buah tandan segar
28	Mariam Bt Harun	Tiada	Tiada	
29	Merry Anak Angkong	441865-201000	30/6/2019	Jual buah tandan segar
30	Minggu A/K Aji	554569-501000	31/10/2022	Jual buah tandan segar
31	Mohamad Azhar Moktar	461894-501000	31/1/2021	Jual buah tandan segar
32	Mohd Yusri Bin Mawi	570945-101000	31/10/2021	Jual buah tandan segar
33	Munandar B Tahir	275807-401000	31/7/2020	Jual buah tandan segar
34	Norsana Bt Omok	278355-901000	30/6/2020	Jual buah tandan segar
35	Nur Maizura Bt Ahmad @ Mohammad	449572-001000	31/5/2020	Jual buah tandan segar
36	Rahaniah Bt Sudin	565781-701000	31/7/2021	Jual buah tandan segar
37	Sabat Bt Omok	278355-901000	31/06/2020	Jual buah tandan segar
38	Sahara Bt Talip	465816-501000	31/3/2021	Jual buah tandan segar
39	Saidah Bt Banjar	447437-401000	31/12/2019	Jual buah tandan segar
40	Sainal Abidin Bin Talibe	427328-001000	31/3/2023	Jual buah tandan segar
41	Samsudin Bin Labandu	276408-201000	30/9/2021	Jual buah tandan segar
42	Sitti Komariyah Bt Arshad	467833-601000	30/4/2021	Jual buah tandan segar
43	Sri Mawar Wulan Bt Abd Hamid	484589-501000	29/02/2022	Jual buah tandan segar
44	Tiu Chon Kiat	411477-701000	31/10/2022	Jual buah tandan segar
45	Utok @ Ednin B Yunos	276214-401000	31/5/2022	Jual buah tandan segar
46	Woo Ng Loy	469125-101000	31/7/2021	Jual buah tandan segar
47	Woo Nyuk Lan	276123-701000	31/3/2021	Jual buah tandan segar
48	Yeoh Kim Ngo	500697-201000	31/12/2022	Jual buah tandan segar



49	Yeow Hoe Hee	423862-801000	30/6/2023	Jual buah tandan segar
50	Zulkarnain B Abbas	565947-001000	31/7/2022	Jual buah tandan segar
51	Usahawan Ali Plantation(Alias Ali)	528567-70100	31/10/2019	Jual buah tandan segar

1.4 Map Showing Geographical Location

a) SPOC (28) Tawau



1.5 Production Area, Actual and Projected FFB Production (MT)**Producer Group** SPOC Tawau (S28) Tawau, Sabah.**Total Production area (ha)** 256.07

No.	Name	Certified Area (Ha)	Year Planted
1	Abd Razak B AG Tuah	6.75	2013
2	Ahmad B Kadir	2.06	2007
3	Aisah BT Ali @ Yali	6.19	2006
4	Alias Bin Ali	5.76	2002
5	Alimin B Alias	6.44	2008
6	Andi Mohd Ariffin B Mappiare	6.07	1999
7	Saparinah Binti Arip	6	2013
8	Aslan B Supu	5.94	2010
9	Fong Vun Sang @ Chung Vun Sang	6.25	2004
10	Francis Kilau Anak Engao	6.93	2016
11	Gelord Emol	4.74	2016
12	Hamka B Kasma	5.88	2009
13	Hendry James	5.03	1998
14	Hong King Poi	6.79	2017
15	Ismail Bt Kasma	5.92	2010
16	Jenat A/K Ungkok	4.56	2018
17	Jilul Bin Jukal	2.5	2015
18	Jonathan Graham Lim	5.69	2005
19	Jorah @ Juriah Abak	1.69	2016
20	Juharia Bt Mado	4.11	2018
21	Ka Chee Jeng	11.38	2007
22	Landang @Jais Maan	6.44	2012
23	Lee Chiew Moi	5.87	2017
24	Lo Kim Hau @ James Lu	8	1998
25	Lusy Bt Mayang	4.52	2016
26	Maimonah Bt Ngalid	4.17	2015
27	Mardianah Bt Shahrin	8.51	2005
28	Mariam Bt Harun	1.5	2015
29	Merry Anak Angkong	2.136	2017
30	Minggu A/K Aji	7.4	2017
31	Mohamad Azhar Moktar	2.02	2004
32	Mohd Yusri Bin Mawi	6.46	2007



33	Munandar B Tahir	4.25	2012
34	Norsana Bt Omok	4.45	2018
35	Nur Maizura Bt Ahmad @ Mohammad	6.07	2005
36	Rahaniah Bt Sudin	4.46	2002
37	Sabat Bt Omok	1.21	2018
38	Sahara Bt Talip	3.42	2015
39	Saidah Bt Banjar	3.429	2015
40	Sainal Abidin Bin Talibe	5.30	2004
41	Samsudin Bin Labandu	6.44	2018
42	Sitti Komariah Bt Arshad	6.32	2005
43	Sri Mawar Wulan Bt Abd Hamid	5.22	2012
44	Tiu Chon Kiat	5.49	2017
45	Utok @ Ednin B Yunos	3.81	2012
46	Woo Ng Loy	35.96	2011
47	Woo Nyuk Lan	7.838	2017
48	Yeoh Kim Ngo	5.282	2017
49	Yeow Hoe Hee	38.44	2012
50	Zulkarnain B Abbas	6.21	2010
51	Usahawan Ali Plantation(Alias Ali)	37.92	2004

1.6 Certificate Details

Certification body

Global Gateway Certifications Sdn. Bhd.,
No. 10 Jalan Rasmi 7, Taman Rasmi Jaya,
68000 Ampang,
Selangor Darul Ehsan, Malaysia.
Tel.: +603 4256 2689; Fax: +603 4256 2687
Website: www.ggc.my

Assessment standard

MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2:
General Principles for Independent Smallholders and MSPO
Guidance - Part 2_Edited Version (100114)

Certificate number

GGC-MPOB008-MSPO-00-2019

Initial certificate issued date

15th January 2019

Certificate expiry date

14th January 2024

Stage 1 assessment date	14 th August 2018
Stage 2 / Main Assessment	26 th November to 28 th November 2018
Annual Surveillance 1 [ASA 1]	
Annual Surveillance 2 [ASA 2]	
Annual Surveillance 3 [ASA 3]	
Annual Surveillance 4 [ASA 4]	

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: **Ismadi bin Ismail**

He holds Diploma in Planting Industry Management from MARA Institute of Technology, Kuantan Pahang. 24 years of working experiences with various plantation companies and skills in Best Agriculture Practices (GAP) for plantation. Fully trained in CoP, MSPO and OSHAS. Qualified as Lead Auditor/Auditor for MSPO and CoP. Involved in MSPO assessment since 2017. Completed and certified MSPO Auditor course in 2017 held by SGS (M) Sdn Bhd and ISO 9001:2015 lead auditor course by TOMC. Member of GGC MSPO audit team.

Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Ahmad bin Sukiman**

He holds MSc Plantation Management from Universiti Putra Malaysia (UPM). Above 30 years of working experiences with various plantation companies and skills in Best Agriculture Practices (GAP) for plantation. Fully trained in MSPO and qualified as Lead Auditor/Auditor for MSPO. Involved in MSPO assessment since 2015. Completed and certified MSPO Auditor course in 2015 held by DQS Certification (M) Sdn Bhd and ISO 9001:2015 lead auditor course by TOMC. Member of GGC MSPO audit team.

Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Wan Mohd Azlan bin Wan Ngah**



He is graduated from Open University Malaysia with a Bachelor’s Degree in Business Administration with more than 30 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in MSPO assessment since 2018. Completed and certified MSPO Auditor course in 2017 held by SIRIM STS Sdn Bhd and ISO 9001:2015 lead auditor course by TOMC. Member of GGC MSPO audit team.

Able to speak and understand Bahasa Malaysia and English.

1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). The sampling was calculated and determined prior to the audit assessment.

The assessment activities include of documents review and site inspection. The documents that had been reviewed among others were company policy, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social were also been verified.

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews of stakeholders, interview of officers, review of documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

Appendix A (Audit Plan) details the actual assessment plan. Stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

1.9 Audit Plan Information

Audit Date	26 th November to 28 th November 2018
Name of site(s) visited	SPOC Tawau (S28) Tawau,Sabah
Total number of man-days spent	9 man-days

1.10 Audit Result Summary Findings

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No action requires
Minor Nonconformities	0	No action requires

Area of Concern	1	No action requires
Noteworthy /Positive Comments	2	No action requires

1.11 Stakeholder Consultation

In this stakeholders meeting, external and internal stakeholders were presented which came from local communities, government agencies, workers and etc. In overall, there are lots of positive issues highlighted by the stakeholders during the meeting. There are tremendous improvements either from environmental, social and safety aspect. There are also positive statements given by the participants required aspects in MSPO especially in social aspect. These statements were accepted by the management representative as a good feedback and will do the necessary.

GGC has published the public notification on 22nd October 2018 through GGC website as per following link: <https://www.ggc.my/>

The details are as per table below,

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	Independent Smallholders 1-14	<ul style="list-style-type: none"> • Good understanding about MSPO. • They are aware on the existence of complaints and grievances mechanism. • They are aware on the importance of safe work practices to be implemented at the workplace. • PPE will be given by MPOB HQ on free of charge. • They were treated equally with no discrimination based on race, gender, religion, political affiliation, nationality, social origin or other distinguishing characteristics and shall not engage in or support discriminatory practices in line with national aspiration. • They have good relationship with the MPOB management. 	No action requires	Positive findings

		<ul style="list-style-type: none"> • The MPOB management will provide an assistance whenever they requested. • They confirmed that workers' wages per month are being paid according to the Minimum Wage Order 2016. • No employment of Children and Young persons for their field activities. 		
2.	External stakeholder	<ul style="list-style-type: none"> • Has good understanding about MSPO. • MPOB give good commitment in maintaining relationship with stakeholder. • Appreciation to MPOB for fast comment or feedback if any issue happens. 	No action requires	Positive findings

1.12 Recommendation

The company has established Sustainability Manual for policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of SPOC Tawau (S28) Tawau. Group Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The smallholders are aware of the requirements of MSPO. There was no complaint or feedback received during this Main Assessment Audit.

This report will be internally reviewed prior to certification decision by GGC and externally peer reviewed by MPOB panel reviewers. During this Main Assessment (Stage 2) Audit MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General Principles for Independent Smallholders and MSPO Guidance - Part 2_Edited Version (100114), 1 area to concern has been raised to the facilities that being audited. Please refer to part 3.2, non-conformity table for details.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted with no major non-conformity findings. Therefore, the Lead Auditor recommends to award the certificate of **MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General Principles for Independent Smallholders** and MSPO Guidance - Part 2_Edited Version (100114) to SPOC Tawau (S28) Tawau.

1.13 Date of Next Surveillance Audit

The first annual surveillance assessment visit will be scheduled after 12 months of the MSPO Certificate being issued.



1.14 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch
FGS	Finished Good Stock
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating
SPO	Sludge Palm Oil
SPOC	Sustainable Palm Oil Cluster

