

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

CLIENT/COMPANY	SHANGHAI SUCCESS SDN BHD	AUDIT NO.	489/19
ADDRESS	NO. 23-3, 3 RD FLOOR, BLOCK H, LINTAS SQUARE, 88300 KOTA KINABALU, SABAH.		
TYPE OF ASSESSMENT	Main Audit		
GROUP MANAGER	MR WONG KEE SHANG		
EMAIL ADDRESS	nuramsconsultant@gmail.com kswong70@live.com		
WEB PAGE	-		
AUDIT STANDARD(S)	MS 2530-3:2013 - General principles for Oil Palm Plantation		
AUDIT SCOPE	Provision of 165.36 Ha of Sustainable Oil Palm Plantations.		
AUDIT DATE	16 th November 2019		
PREVIOUS AUDIT DATE	27 th October 2019		
NEXT AUDIT DATE	1 st Surveillance Audit tentatively plan on October 2020		
OTHERS CERTIFICATION	Nil		
CLIENT'S REFERENCE DOCUMENTS	Per clients document master list		
CERTIFICATE VALIDITY	03/02/2020 to 02/02/2025		
AUDITOR TEAM MEMBERS	LEAD AUDITOR	En. Mohd Isa Hasim (ISA)	
	AUDITOR	En. Hamsah Bin Sulaiman (HMS)	
	AUDITOR	Haji Mohd Nasri Bin Ramli (MNR)	

*These are your certification details.
Please inform us immediately if amendments are required.*

Audit Conclusion
Based on the documentation reviewed, records sampled, site visit and interview with relevant personnel during this Stage 2 Audit, we conclude that SHANGHAI SUCCESS SDN BHD has effectively implemented its Malaysian sustainable Palm Oil system in accordance to the MS 2530-3:2013 requirements in line with the organization procedure & policy for the above mention scope

Recommendation
The audit team has agreed to recommend SHANGHAI SUCCESS SDN BHD to be awarded with MS 2530-3:2013 Certifications based on applied scope subject to review by Certification Approval Panel

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Team Leader	Mohd Isa Hasim	Signature		Date	16/11/2019
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AUDIT OBJECTIVE

The objectives of this audit are as follows:

To evaluate the implementation, including effectiveness of **SHANGHAI SUCCESS SDN BHD** on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) documentation. It shall include at least the following:

- a. Information and evidence about conformity to all requirements of the applicable management system standard or other normative document;
- b. Performance monitoring, measuring, reporting and reviewing against key performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document);
- c. The **SHANGHAI SUCCESS SDN BHD** MSPO and performance as regards legal compliance;
- d. Operational control of the **SHANGHAI SUCCESS SDN BHD** processes
- e. Internal auditing and management review (if applicable)
- f. Management responsibility for the **SHANGHAI SUCCESS SDN BHD** policies
- g. Links between the normative requirements, policy, performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document), any applicable legal requirements, responsibilities, competence of personnel, operations, procedures, performance data and internal audit findings and conclusions

EXECUTIVE SUMMARY

The **Stage 2** audit was satisfactorily conducted to evaluate the MSPO implementation of **MSPO 2530 Part 3 (Plantation)**. The management is a wholly own company of **SHANGHAI SUCCESS SDN BHD** which is located estate approximate **3.5 hours from Kota Kinabalu Town**. The company has various businesses and one of the core business in Oil Palm plantation.

NIOOSH Certification is an accredited certification body by Standards Malaysia which providing a comprehensive certification and inspection services mainly for management system of occupational safety & health, environmental, quality and MSPO for various industries. The **Stage 2** audit have been satisfactorily conducted by NIOOSH Certification on **16 November 2019**.



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During the audit closing meeting held on **16 November 2019** at meeting room, the overall results are as follows:

- a. **Major Nonconformity Report (NCR) : NONE (0)**
- b. **Minor Nonconformity Report (NCR) : SIX (6)**
- c. **Opportunities for Improvement (OFI) : TWO (2)**

SHANGHAI SUCCESS SDN BHD has prepared Corrective Action Plan as respond of raised NCR which date of implementation adequately accepted by Audit Team. The effectiveness of the corrective action for minor NCR will be reviewed on the next surveillance while major NCR satisfactorily reviewed closed

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ASSESSMENT TEAM MEMBER

Lead Auditor	Mr. Mohd Isa Hasim As a holding professional certificated 1st grade Steam Engineer, Lead Auditor MSPO MS2530, Lead Auditor ISO 9001:2015, Safety Officer (SHO) NIOSH, Authorized Entry Standby Person (AESP) NIOSH, Competent Person Schedule Waste (CePSWaM) DOE. Currently join a team between Certification Body as a MSPO Auditor since 2015 until now 2018. Current achievement he had got certification for Train The Trainer (TTT) from NIOSH and also (TTT) from HRDF. He has experience working in plantation industry which is background in palm oil mill as an Mill Engineer. Expertise in palm oil mill processing, implementation good mill practice in mill organization and maintain on legal compliance for safety, health and environment. He shows a good communicate between his cooperate team members during develop the documentation on Roundtable Sustainable Palm Oil (RSPO). Lastly, he has demonstrated leadership skill within palm oil mill organization with lead a team until successful achieving the certification of RSPO.
Auditor	En. HamsahSulaiman He holds Master in Plantation Management & bachelor's degree in Organization Management from University Science Malaysia (USM) in 2005. He has 15 years working experience of managing oil palm plantations with expertise in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM), Labour & Logistics Management. He is experienced with RSPO, MSPO and ISCC requirements for certification from all these various organizations. He successfully completed the Lead Auditor course for ISO 9001, ISO 14001 & ISO 45001 and Lead Auditor MSPO MS 2530:2013 & MS SCCS. He had been involved in MSPO auditing since 2018 in various companies in Malaysia. Able to communicate in Bahasa Malaysia, Bahasa English and Local Language.
Auditor	Ts. Haji Mohd Nasri Ts. Haji Mohd Nasri has enroll endowment a Bachelor (Eng) of Mechanical Engineering (Hons) from Universiti Teknologi Malaysia (UTM). Competent person of Radiation Protection Officer (RPO), Safety & Health Officer (SHO), Scheduled Waste Manager (SWM), Register DOE Assistant EIA Consultant, Industrial Hygiene Technical, DOSH Noise Competent, OSH – Coordinator, 6 Sigma (Green Belt), OHSAS Lead Auditor, Boards of Engineer Malaysia (BEM) Member, Traffic Management Officer (TMO) and Certified of Lean Manufacturing Practitioner. Also, Register as Professional Technologist of Malaysian Boards of Technical (MBOT). He has more than 18 years in oil mill sector, auditing and consult managing the palm oil mill operation all over East and West Malaysia. He has successfully and attend passes the examination for MSPO Auditor Course.

AUDIT METHODOLOGY & AUDIT PROGRAMME

The assessment was conducted involving estates under **SHANGHAI SUCCESS SDN BHD**. The minimum manday has been justified as per ABC-OPMC 2 (Audit Duration for CB Operating Oil Palm Management Certification under MSPO scheme). The audit covers documentation review, internal policies and procedures, management system as well as records review in compliance with the audit criteria requirements based on initial review self-questionnaire and **Stage 2** Audit assessment, the risk factor medium (1.5) is determined.

The **Stage 2** audit assessment has been conducted on sampling based on sampling size **1.5√1** calculation resulted of 1 sampled estates. The assessment were cover documentation and records review, physical field observation covering all plantation processes, workshop, chemicals store, waste management, boundary & buffer zones, workers housing, stakeholders consultation, interview with internal & external stakeholders, workers and contractors.

SUMMARY AUDIT FINDINGS

During the audit closing meeting held on **16th November 2019**, the overall results of the audit are as follows:

The following items represented positive observations by the audit team:

- 1. Commitment Internal MSPO Team**
- 2. Good understanding on the requirement of MSPO**
- 3. Good of filing system on MSPO Documentation**

The overall results of the audit are as follows:

- a. **Major Nonconformity Report (NCR) : NONE (0)**
- b. **Minor Nonconformity Report (NCR) : SIX (6)**
- c. **Opportunities for Improvement (OFI) : TWO (2)**

****The grading of nonconformity (Major / Minor) is based on ISO/IEC 17021:2015 guidelines.***

The audit team has satisfactorily verified the corrective action plan provided by the client. The effectiveness on the action plan for the corrective action will be reviewed by NIOSH Certification's auditors during the next surveillance audit.

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COMPANY BACKGROUND

The management is a wholly own company of **SHANGHAI SUCCESS SDN BHD** which is located estate approximate **3.5 hours from Kota Kinabalu Town**. The company has various businesses and one of the core business Oil Palm Plantation. The management has been planted Oil Palms with **165.36 Ha**.

DETAILS OF PLANTATION UNIT (S)

NO	ESTATES NAME	FULL ADDRESS	GPS COORDINATE	TOTAL TITLE AREA (Ha)
1*	SHANGHAI SUCCESS SDN BHD	NO 23-3, 3 RD FLOOR, BLOCK H, LIKAS SQUARE, 88300 KOTA KINABALU.	6.146486 116.102631	165.36
TOTAL				165.36

MPOB LICENSE DETAILS

NO	ESTATES NAME	MPOB LICENSE	SCOPE OF ACTIVITY	EXPIRY DATE
1	SHANGHAI SUCCESS SDN BHD	613114002000	MENJUAL DAN MENGALIH FFB	30.06.2020

AREA AND FFB PRODUCTION FROM ESTATES

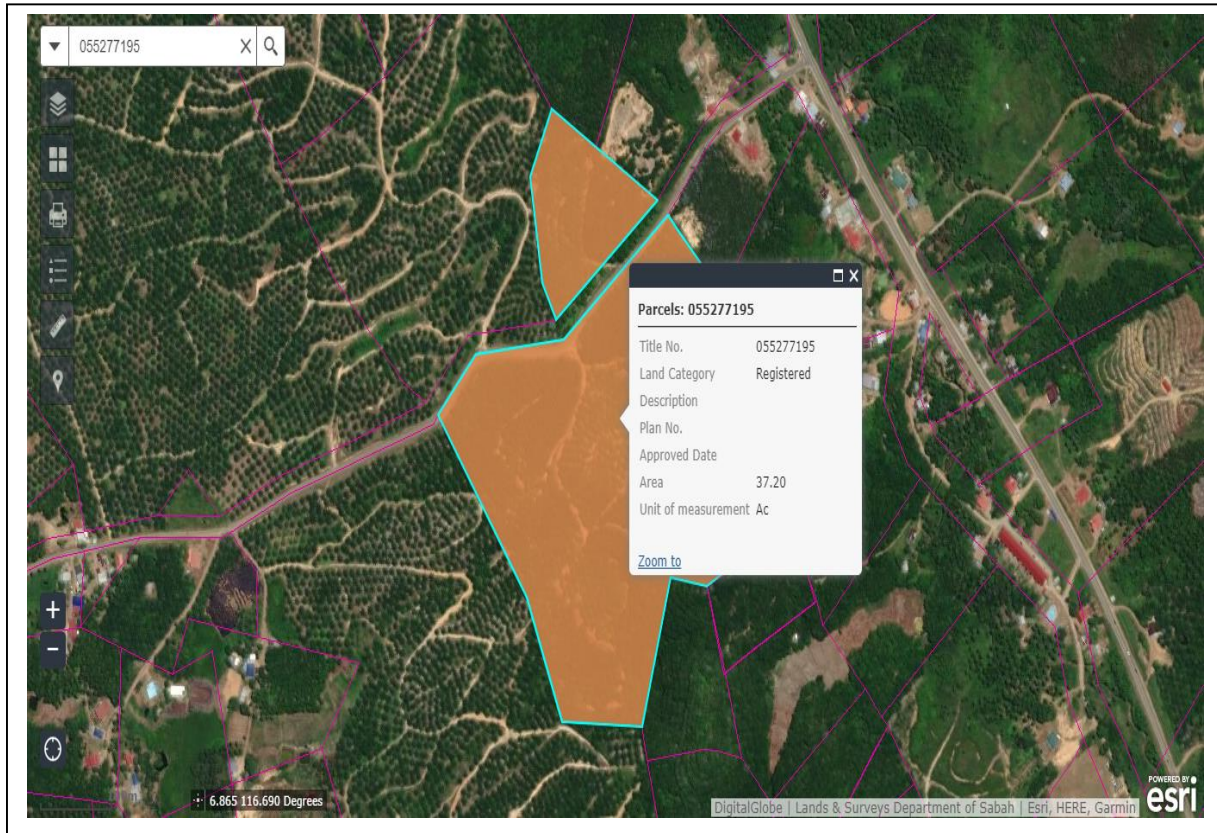
		PLANTED AREAS			NON PLANTED AREA			TOTAL TITLE AREA (Ha)
NO	ESTATES NAME	IMMATURE AREA (Ha) 0-3 YRS	MATURE AREA (Ha) >3 YRS	TOTAL PLANTED AREAS (Ha)	CONSERVATION AREA (HBV, Steep Land, etc.) Ha	OTHERS (BUILDING, LINE SITES, ETC.) Ha	TOTAL UNPLANTED AREA (Ha)	
1	SHANGHAI SUCCESS SDN BHD	-	165.04	165.04	0	0.32	0.32	165.36
	TOTAL	-	165.04	165.04	0	0.32	0.32	165.36

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PRODUCTION VOLUME

NO	ESTATES NAME	TITLE AREA (Ha)	FFB PRODUCTION PREVIOUS Y2018 (MT)	FFB PRODUCTION FORECAST Y2019 (MT)
1	SHANGHAI SUCCESS SDN BHD	165.36	4,893.76	5,200.00
TOTAL		165.36	4,893.76	5,200.00
OER%			19.00	19.00

LOCATION AND MAP



Review and follow-up on previous audit findings

All findings raised during the previous audit found has been addressed adequately. All NCR has been verified accordingly.

Stakeholders Consultation Session

Stakeholder consultation began with notification of a month prior of upcoming assessment by official letter to identified stakeholders. Emails, phone call and official letter were sent to applicable interested stakeholders. Audit team then visited some stakeholders to obtain positive / negative information or any issues in connection with **SHANGHAI SUCCESS SDN BHD**. It was started with a slide presentation by NIOSH Certification Sdn. Bhd. explaining about the objectives of the MSPO certification scheme and purpose of stakeholder consultation. Agenda of discussion including legal compliance, environmental protection, biodiversity conservation, safety & social responsibility and development of community. No major adverse issue been raised as consulted during the audit: Among stakeholders attended the session:

External Stakeholder

- Good relationship stakeholder between management
- Good communication and cooperation between management
- Good understanding from stakeholder regarding of implementation MSPO

All positive and negative inputs from stakeholders has been discussed with management of with proper justification and adequate action plan by the management team to address the issue

No	Organisation	Stakeholder
1	Collecting Center	External
2	Collecting Center	External
3	Supplier	External
4	Workers	Internal
5	Workers	Internal
6	Workers	Internal

All positive and negative inputs from stakeholders has been discussed with management of **SHANGHAI SUCCESS SDN BHD** with proper justification and adequate action plan by the management team to address the issue.



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Disclaimer

NIOSH Certification provides services which are designed to determine whether the referenced Management System of the client:

- a) complies with the relevant (mentioned) Standard; and
- b) has been properly implemented and maintained.

Audits are based on random sampling techniques and nonconformances may exist which did not become apparent during the audit.

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- End of Audit Report -