

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

CLIENT/COMPANY	SURIA CENTURY RESOURCES SDN BHD	AUDIT NO.	057/20
ADDRESS	SURIA CENTURY RESOURCES SDN BHD Lot 6, 1st Floor, Block 9, Bandar Indah, Mile 4, Jalan Utara, 90732 Sandakan, SABAH.		
TYPE OF ASSESSMENT	Main Audit		
GROUP MANAGER	Mr. Chok Yun Kiong		
EMAIL ADDRESS	yunkiong66@gmail.com		
WEB PAGE	-		
AUDIT STANDARD(S)	MS 2530-3:2013 - Malaysian Sustainable Palm Oil Part 3: General principles oil palm plantations and organized smallholders		
AUDIT SCOPE	Production of Sustainable Fresh Fruit Bunches from : 882.65 ha total oil palm planted area 902.05 total certified area		
GROUP MEMBERS	-		
STAGE 1 AUDIT DATE	10th December 2019 (Stage 1 Audit)		
STAGE 2 AUDIT DATE	27 th - 29 th January 2020		
NEXT AUDIT DATE	1 st Surveillance Audit tentatively plan on January 2021		
OTHER CERTIFICATION HELD	Nil		
CERTIFICATE VALIDITY	02/03/2020 to 01/03/2025		
AUDITOR TEAM MEMBERS	LEAD AUDITOR	Basran Ab Hamid (BAH)	
	AUDITOR	Wilton Bichin (WB)	
	AUDITOR IN TRAINING	Andy Zulkarnaen Abdul Rajied (AZA)	

*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 **SURIA CENTURY RESOURCES 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 **SURIA CENTURY RESOURCES SDN BHD** to be awarded with **MS 2530-3:2013 Certifications** based on applied scope subject to review by Certification Approval Panel

Lead Auditor	Basran Ab Hamid	Signature		Date	29/01/2020
---------------------	-----------------	------------------	--	-------------	------------

AUDIT OBJECTIVE

The objectives of this audit are as follows:

To evaluate the implementation, including effectiveness of **SURIA CENTURY RESOURCES 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 **SURIA CENTURY RESOURCES SDN BHD** MSPO and performance as regards legal compliance;
- d. Operational control of the **SURIA CENTURY RESOURCES SDN BHD** processes;
- e. Internal auditing and management review (if applicable);
- f. Management responsibility for the **SURIA CENTURY RESOURCES 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

Stage 2 Audit was satisfactorily conducted to evaluate MSPO implementation at SURIA CENTURY RESOURCES SDN BHD. The Organisation area covering Sg Imbak Estate with the size of 173.70 Ha, Sg Millian Area AB with the size of 254.22 Ha, Sg Millian Area C/E with the size of 214.11 Ha and Sg Millian Area D with the size of 260.02 Ha.

Stage 2 of MSPO certification was satisfactorily conducted by NIOSH Certification on 27th - 29th January 2020. NIOSH Certification is a certification body accredited by Standards Malaysia which providing a comprehensive certification services system mainly for management system of occupational safety and health, environment, quality and MSPO for various industries.

During the Closing Meeting held on 29th January 2020, the overall results of the audit are as follow:

The overall results of the audit are as follows:

- a. **NIL – Major Nonconformity Report (NCR)**
- b. **THREE (3) – Minor Nonconformity Report (NCR)**
- c. **FOUR (4) – Opportunities for Improvement (OFI)**

SURIA CENTURY RESOURCES 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.

ASSESSMENT TEAM MEMBER

Lead Auditor	<p>Mr Basran Ab Hamid</p> <p>As per OPMC Requirements :</p> <ul style="list-style-type: none"> - Hold a Degree From University Malaysia Sabah in International Business - More than 5 years working experience in plantation company - Completed and certified MSPO Auditor Course in January 2019 and Integrated Management System (IMS) in December 2018. - Auditing experience since February 2019 -
Auditor	<p>Mr. Willton Bin Bichin</p> <p>He has 6 years working experience in oil palm plantation with had experience with RSPO, MSPO and ISCC requirements for certification from all these various organizations.</p> <p>He successfully completed Auditor course for MSPO MS2530, SCCS and Integrated Management System course for ISO 9001 and ISO 14001 . He's able to communicate in Bahasa Malaysia, English and Local Language.</p>
Auditor In Training	<p>Mr. Andy Zulkarnaen Abdul Rajied</p> <p>Academically, He holds Master in Occupational Health & Safety (UMP), Degree in Mechanical Engineering from Portsmouth United Kingdom. On Competency certification, TTT registered with HRDF, SHO registered with DOSH, TMO registered with JKR/CIDB and Corrosion Inspector registered with IMM (Institute Material Malaysia). Currently as a Director of Operations for SAHEN ENGINEERING SDN BHD which registered with EPD (Environment Protection Department). 15 years of cross discipline experiences mainly on International HSSE framework (Civil Structures, Oil & gas, Ship Building Heavy Industries, Power Generations, Oil Palm Plantations) specifically expert in HAZID and HAZOP, Accident Investigations, Emergency Preparedness & Response, Risk Management, OHS MS, QMS, EMS.</p> <p>He had successfully completed the Lead Auditor course for ISO 9001, ISO 14001 & ISO 45001, Auditor MSPO MS 2530:2013.</p>

AUDIT METHODOLOGY & AUDIT PROGRAMME

The assessment was conducted involving estates under **SURIA CENTURY RESOURCES 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 1 Audit assessment, the risk factor medium (1.5) is determined.

The Stage 2 audit assessment has been conducted on sampling based on sampling size $1.5\sqrt{4}$ calculation resulted of 3 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 OF AUDIT FINDINGS

During the audit closing meeting held on 29th January 2020, the overall results of the audit are as follows:

The following items represented positive observations by the audit team:

- a) Good commitment & support from management
- b) Good of filing system on MSPO Documentation
- c) Good implementation requirement for facilities

The overall results of the audit are as follows:

- a. **NONE** – Major Nonconformity Report (NCR);
- b. **THREE (3)** – Minor Nonconformity Report (NCR); and
- c. **FOUR (4)** – Opportunities For Improvement (OFI)

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.

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

DETAILS OF PLANTATION UNIT (S)

NO	ESTATES NAME	ESTATE ADDRESS	GPS COORDINATE	TOTAL CERTIFIED AREA (Ha)
*1	Sungai Millian Area AB	Tongod, Telupid	Long – 117.20822 Lat – 5.179250	254.22
*2	Sungai Millian Area C	Tongod, Telupid		214.11
3	Sungai Millian Area D	Tongod, Telupid		260.02
*4	Sungai Imbak	Tongod, Telupid	Long – 117.054156 Lat – 5.133485	173.70
TOTAL				902.05

**The sampled Estates during this Audit*

MPOB LICENSE DETAILS

NO	ESTATES NAME	MPOB LICENSE	SCOPE OF ACTIVITY	EXPIRY DATE
*1	Suria Century Resources S.B	513071002000	Menjual dan Mengalih FFB	31/10/2020
2	Himpunan Palma S.B	582000002000	Menjual dan Mengalih FFB	29/2/2020

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

AREA AND FFB PRODUCTION

		PLANTED AREAS			NON PLANTED AREA			TOTAL CERTIFIED AREA (Ha)
NO	ESTATE S NAME	IMMATUR E AREA (Ha) 0-3 YRS	MATUR E AREA (Ha) >3 YRS	TOTAL PLANTE D AREAS (Ha)	CONSERV ATION AREA (HBV, Steep Land, etc.) Ha	OTHERS (BUILDIN G, LINE SITES, NURSERY , ETC.) Ha	TOTAL UNPLANTE D AREA (Ha)	
1	Sungai Millian Area AB Area C/E Area D	0	239.12 211.81 259.02	239.12 211.81 259.02	12.10 1.30	3.00 1.00 1.00	15.10 2.30 1.00	254.22 214.11 260.02
2	Sungai Imbak	0	172.70	172.70	0	1.00	1.00	173.70
	TOTAL		882.65	882.65	13.40	6.00	19.40	902.05

PRODUCTION VOLUME

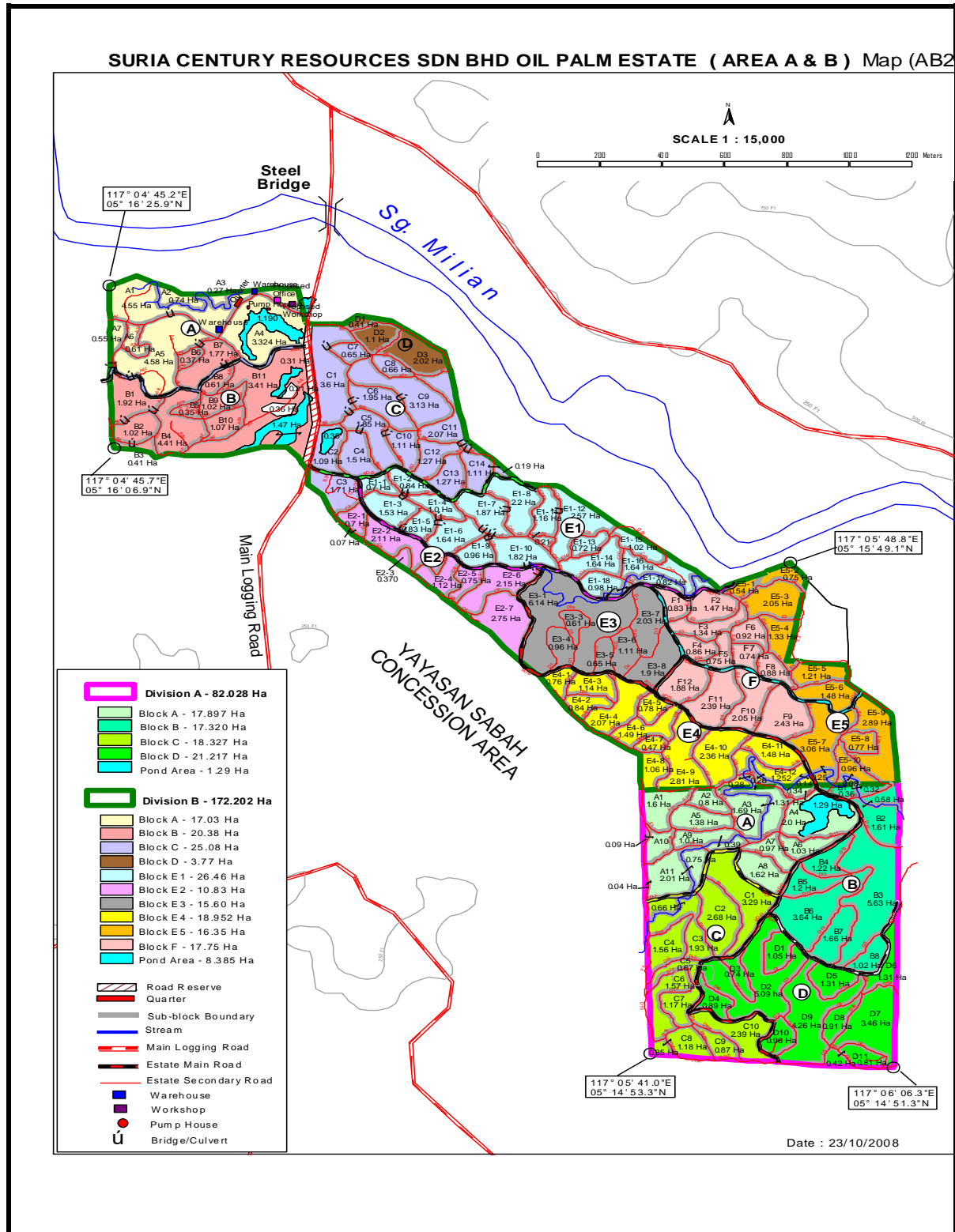
NO	ESTATES NAME	TOTAL CERTIFIED AREA (Ha)	FFB PRODUCTION Actual Previous Year (2018) (MT)	FFB PRODUCTION Estimate Current Year (2019) (MT)
1	Sungai Millian Estate Area AB Area C/E Area D Total:	254.22 214.11 260.02 728.35	6,760.38 3,152.42 4,056.61 13,969.41	6,075.90 2,723.02 3,094.04 11,892.96
2	Sungai Imbak Estate	173.70	3,397.73	2,615.55
	TOTAL	902.05	17,367.14	14,508.51

LOCATION AND MAP

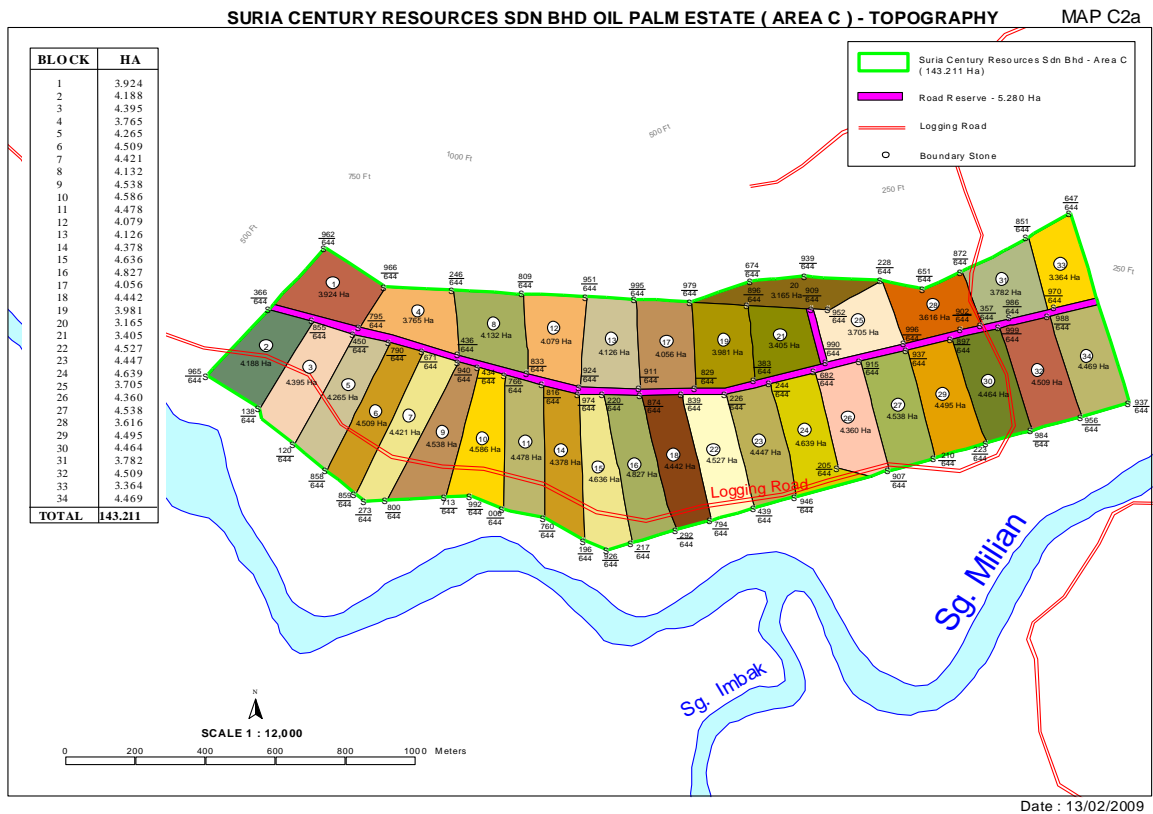
1. LOCALITY MAP



2. ESTATE MAP (Area AB)

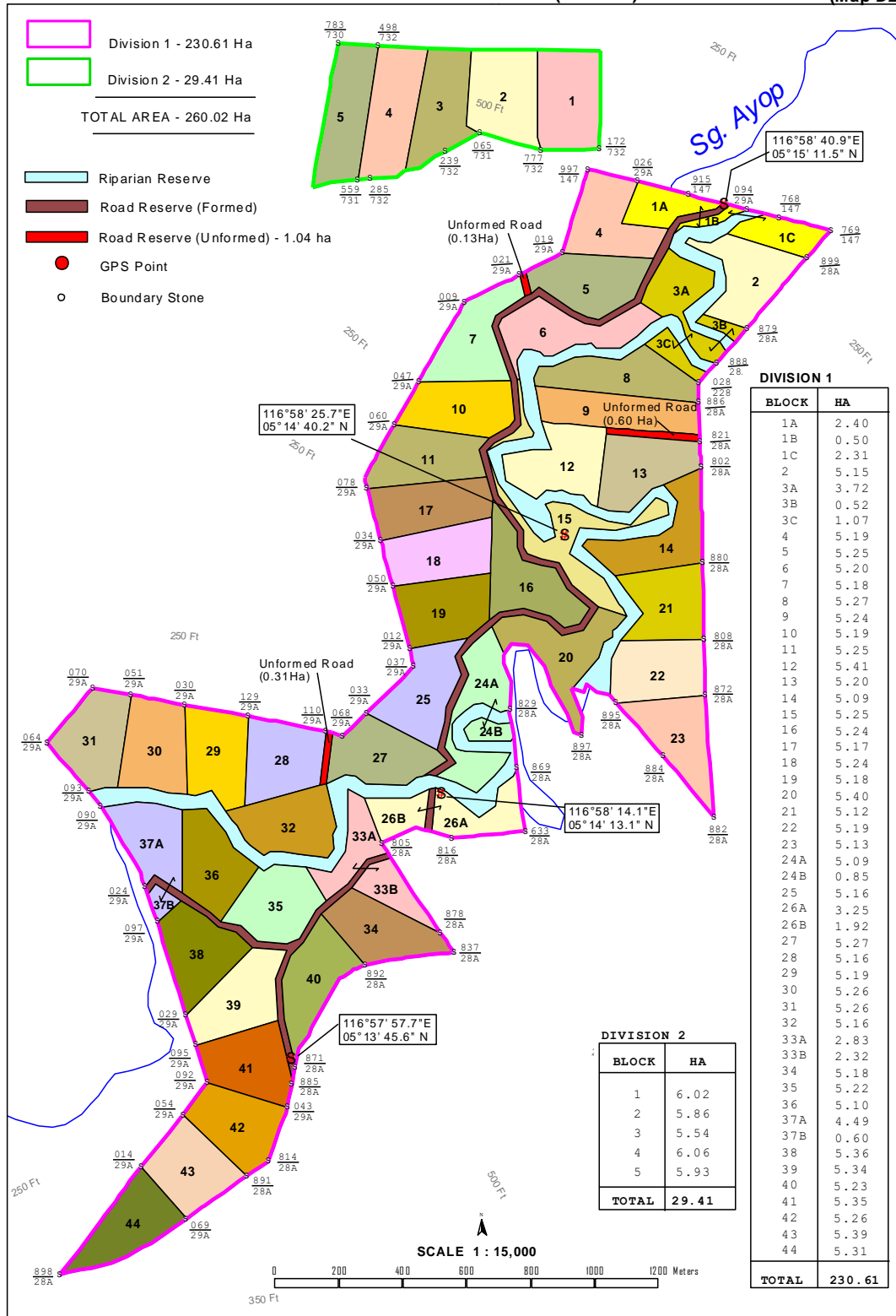


MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

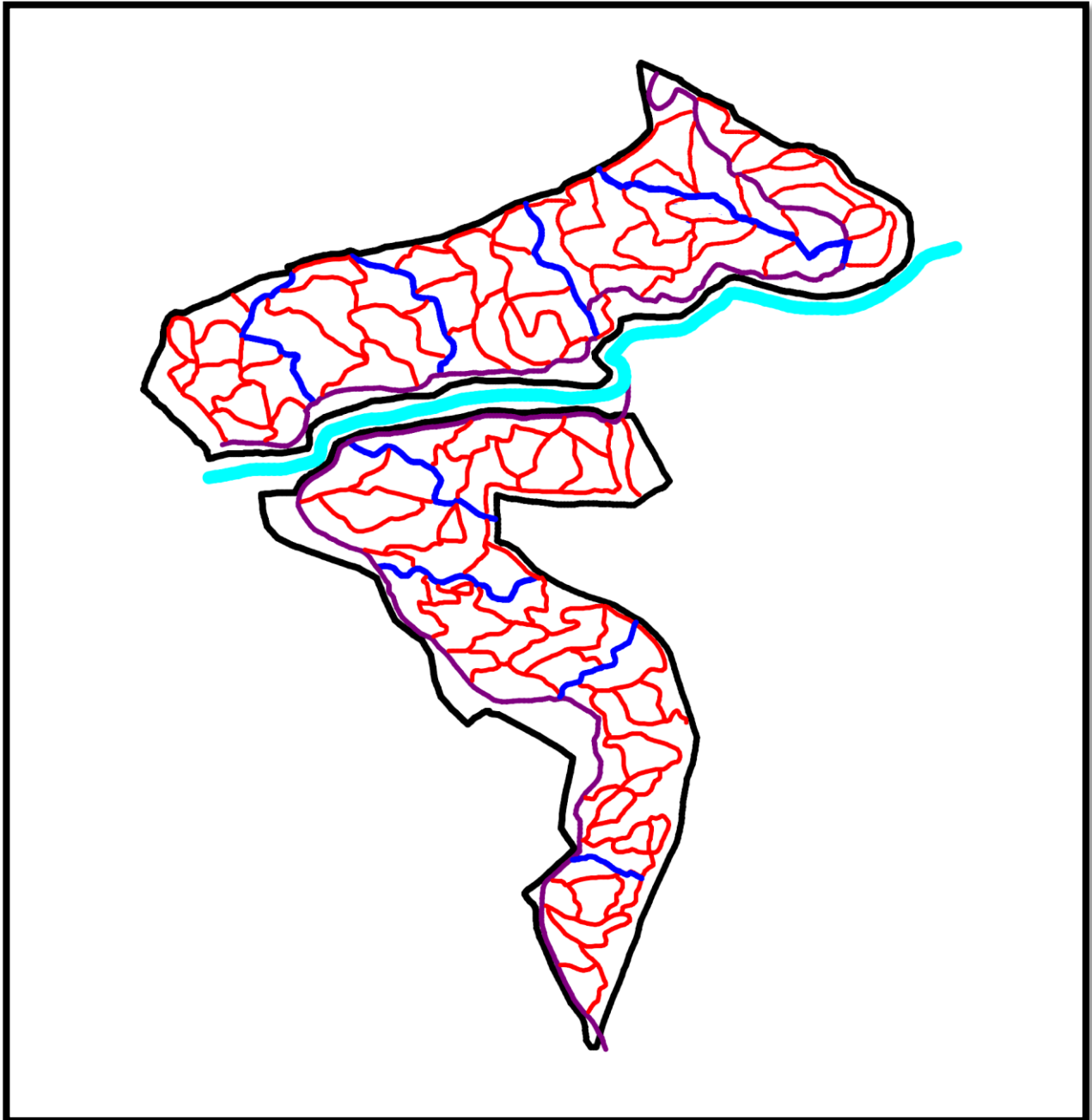


MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

SURIA CENTURY RESOURCES SDN BHD OIL PALM ESTATE (AREA D) - TOPOGRAPHY (Map D2)



Sungai Imbak Estate (173.70 Ha)



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 **SURIA CENTURY RESOURCES 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:

- a) PIC Megacess Sdn Bhd (External Stakeholder)
- b) Storekeeper (Internal Stakeholder)

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



MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

Others

Nil

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 non conformances may exist which did not become apparent during the audit.

NIOSH Certification does not provide any advice on compliance with any legislation, regulation, or standards. All audit reports and other documentation provided by NIOSH Certification, are given in good faith and in reliance on the accuracy and completeness of the information provided by the client. No responsibility is accepted to any third party that may rely in whole or in part on the content of this report, to the extent permitted by Law.

- End of Audit Report -