

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

CLIENT/COMPANY	METRO EVERSHINE SDN BHD	AUDIT NO.	174/19
ADDRESS	P.O Box 2828, 90731 Sandakan, Sabah.		
TYPE OF ASESMENT	Main Audit		
GROUP MANAGER	Mr. Gilbert Ko		
EMAIL ADDRESS	Nil - Tel : 019 – 813 0828		
WEB PAGE	Nil		
AUDIT STANDARD(S)	MS 2530-3:2013 - Malaysian Sustainable Palm Oil Part 3: General principles oil palm plantations		
AUDIT SCOPE	Provision of 66.74 Ha of Sustainable Oil Palm Plantation		
AUDIT DATE	12 th June 2019		
PREVIOUS AUDIT DATE	30 th April 2019		
NEXT AUDIT DATE	1 st Surveillance Audit tentatively plan in May 2019		
OTHER CERTIFICATION HELD	Nil		
CERTIFICATE VALIDITY	28/06/2019 to 27/06/2024		
AUDITOR TEAM MEMBERS	LEAD AUDITOR	Adnin Aminurrashid Bin Zilah	
	AUDITOR	Mohd Amin Adrah	
	AUDITOR IN TRAINING	Nil	

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's during this Stage 2 for MS2530-3:2013 , we conclude that, METRO EVERSHINE 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 mentioned scope.
Recommendation
The audit team has agreed to recommend for METRO EVERSHINE SDN BHD to be awarded with MS2530-3:2013 Certifications based on existing scope on the conditions that the raised NCRs & OFIs are satisfactorily closed within the stipulated time frame subject to review by Certification Approval Panel (CAP).

Lead Auditor	Adnin Aminurrashid Bin Zilah	Signature		Date	20 / 6 / 2019
---------------------	---	------------------	--	-------------	---------------

AUDIT OBJECTIVE

To evaluate the implementation, including effectiveness of Metro Evershine 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 Metro Evershine Sdn Bhd MSPO and performance as regards legal compliance;
- d. Operational control of the Metro Evershine Sdn Bhd processes;
- e. Internal auditing and management review (if applicable);
- f. Management responsibility for the Metro Evershine 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 Organisation. The Organisation area covering 66.74 Ha. Stage 2 of MSPO certification was satisfactorily conducted by NIOSH Certification on 12th June 2019.

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 **12th June 2019**, the overall results of the audit are as follow:

- a. **NIL – Major Nonconformity Report (NCR)**
- b. **NIL (0) – Minor Nonconformity Report (NCR)**
- c. **THREE (3) – Opportunities for Improvement (OFI)**

ASSESSMENT TEAM MEMBER

Lead Auditor	<p>Mr Adnin Aminurrashid Bin Zilah</p> <p>He holds a Diploma in Planting Industry Management from MARA Institute of Technology. He has more than 10 year experiences in oil palm industry and 2 years experiences in sustainability audit and consultancy</p> <p>Currently a MSPO Lead Auditor/Auditor, consultant and a peer reviewer, he has successfully obtained competency of Lead Auditor courses for Malaysian Sustainable Palm Oil (MSPO 2530:2013) and Quality Management System (ISO 9001:2015).. He attended Integrated Management System (IMS) conducted by Platinum Shauffmantz Veritas (PSV) certification in December 2017</p> <p>Involved in MSPO assessment since 2017 and conducting audits for many different companies in Malaysia. Able to speak and understand well both Bahasa Malaysia and English.</p>
Auditor	<p>Mr. Mohd Amin Adrah</p> <p>Mohd Amin Adrah is the former Head of Sabah Regional Office (Sandakan), NIOSH Malaysia. He holds a Bachelor Degree in Chemical Engineering (Biotechnology) from Universiti Malaysia Pahang. He is a registered competent person with the Department of Occupational Safety and Health (DOSH) Malaysia as (1) Chemical Health Risk Assessor and (2) Authorised Gas Tester/Entry Supervisor. He has provided trainings related to occupational safety and health. Currently, he is conducting a Master research project entitled Dermal Exposure Assessment among Oil Palm Plantations' Pesticide Handlers in Kinabatangan, Sabah which is funded by Universiti Putra Malaysia)</p> <p>He successfully completed the Lead Auditor course for ISO 9001, and Lead Auditor MSPO MS2530. Able to communicate in Bahasa Malaysia, English and Local Language.</p>

AUDIT METHODOLOGY & AUDIT PROGRAMME

The assessment was conducted involving estates under **METRO EVERSHINE 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 $1.0\sqrt{1}$ calculation resulted of 1 estate. 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

The following items represented **positive observations** by the audit team:

1. **Good commitment from top management**
2. **Good preparation for audit**

During the audit closing meeting held on **30th April 2019**, the overall results of the audit are as follows:

The overall results of the audit are as follows:

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

****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 NIOOSH Certification's auditors during the next surveillance audit.

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

COMPANY BACKGROUND

The company was established in 2004 by Mr Gilbert Ko. The total hectareage of the plantation was 66.74 ha located in Melangking, Sukau. The plantation was surrounded by few other estate such as Felcra Pertama , Melangking Oil Palm Plantation and Semoga Aktif Sdn Bhd.

DETAILS OF PLANTATION UNIT (S)

NO	ESTATES NAME	ADDRESS OF ESTATE	GPS COORDINATE	TOTAL TITLE AREA (Ha)
1	Metro Evershine Sdn Bhd	CL075515481, CL075564448, CL0755664457, CL0755664466 MUKIM SG. MELANGKING, SANDAKAN, SABAH	5.697, 118.258 (CL075515481) 5.695, 118.25 (CL075564466) 5.694, 118.249 (CL075564448) 5.695, 118.249 (CL075564457)	60.71 ha 1.995 ha 2.023 ha 2.010 ha
TOTAL				66.738

***Please tick the sampled estates during this audit**

MPOB LICENSE DETAILS

NO	ESTATES NAME	MPOB LICENSE	SCOPE OF ACTIVITY	EXPIRY DATE
1	Metro Evershine Sdn Bhd	523240-002000	Menjual dan Mengalih FFB (ET)	31/08/2019

AREA AND FFB PRODUCTION

		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	Metro Evershine Sdn Bhd	-	62.73	62.73	-	4	4	66.73
	TOTAL	-	62.73	62.73	-	4	4	66.73

PRODUCTION VOLUME

NO	ESTATES NAME	TITLE AREA (Ha)	FFB PRODUCTION PREVIOUS Y2018 (MT)	FFB PRODUCTION FORECAST Y2019 (MT)
1	Metro Evershine Sdn Bhd	66.738	1,439.23	1,500.00
TOTAL		66.738	1,439.23	1,500.00
OER%			19.5 %	

LOCATION AND MAP

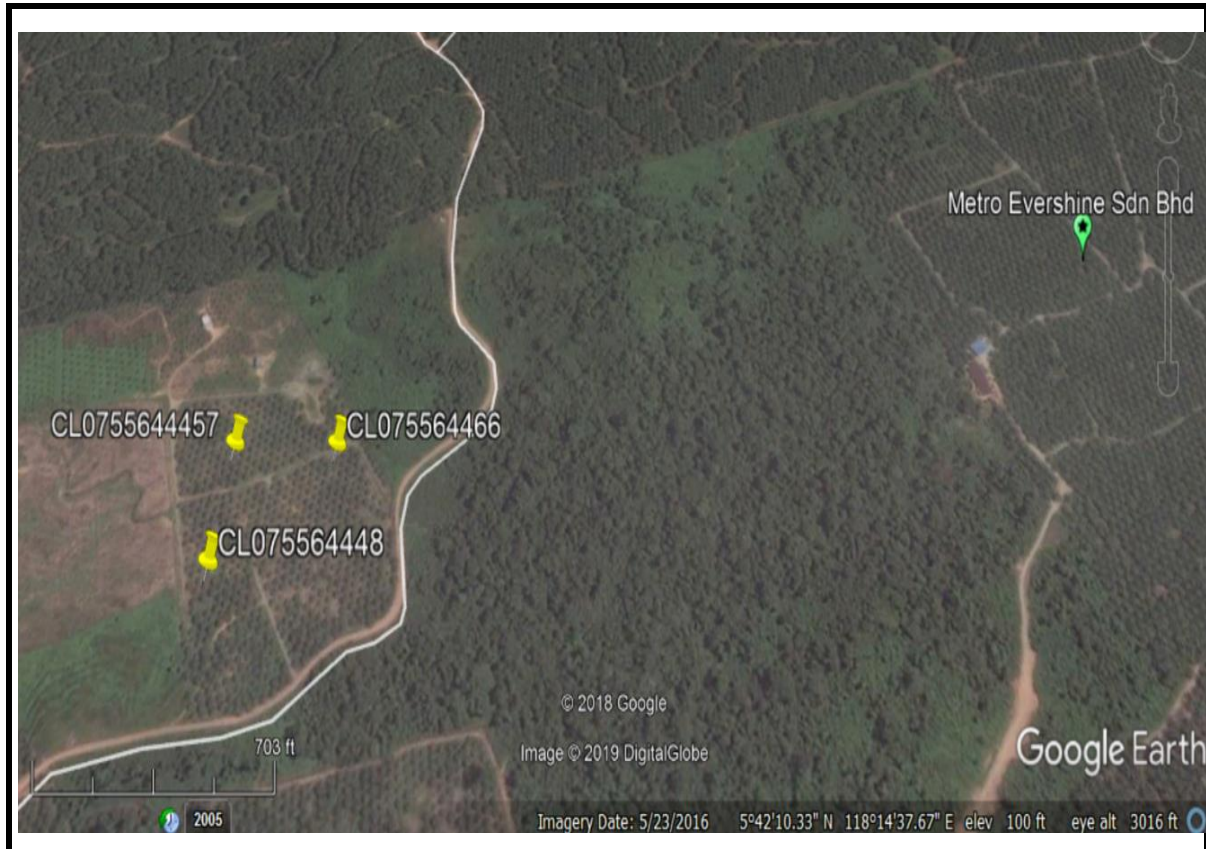


Figure 1: Locations Map

STAKEHOLDER LIST

List of Stakeholders

- 1) Melangking Oil Palm Plantation Sdn Bhd
- 2) Novel Borneo
- 3) Semoga Aktif Sdn Bhd
- 4) Felcra Estate
- 5) Tanjung Panjang Mill
- 6) Golden Spring Development Sdn Bhd
- 7) Fertilizer Supplier - Behn Meyer
- 8) JKPP Cawangan Sandakan, Tingkat 1, Wisma Saban, Batu 7, Jalan Labuk, W.D.T 71, Bangunan Rumah Persekutuan, 90500, 90000 Sandakan, Sabah
- 9) Jabatan Perhutanan Sabah, Ibu Pejabat, Jabatan Perhutanan, Beg Berkunci 68, 90009, Sandakan,
- 10) Pusat Penyelidikan Perhutanan Sepilok, Sandakan, Sandakan Municipal Council, Peti Surat 221, 90702, Sandakan Tel:
- 11) Jabatan Perlindungan Alam Sekitar, Tingkat 1 - 3, Bangunan Wisma Budaya, Jalan Tunku Abdul Rahman, Beg Berkunci No.2078, 88999 Kota Kinabalu, Sabah, Malaysia.
- 12) Pejabat Wilayah Sandakan, Jabatan Perlindungan Alam Sekitar, Tingkat 4, Bangunan Urusetia Negeri

Batu 7, Jalan Labuk, Beg Berkunci No. 9, 90500 Sandakan, Sabah, Malaysia.
- 13) Jabatan Hidupan Liar Sandakan, Jalan Batu Sapi, 90000 Sandakan, Sabah :
- 14) Duchess of Kent Hospital, KM3.2, Jalan Utara, 90000 Sandakan
- 15) Sandakan Fire and Rescue Station, Jalan Utara, 90000 Sandakan
- 16) MPOB Cawangan Sandakan

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 upcoming assessment by official letter to identify 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 Organisation. 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. There was no issue arise during the stakeholder consultation meeting. Based on the interview, all the stakeholder shows good understanding on the environmental and social issues. The complaint and grievances procedure have been briefed to all relevant stakeholders. 9 stakeholders have come during the stakeholder Interview – 3 Employees , 2 Contractor and 2 Government Agencies and 1 neighbour estate.

- a. Wildlife Department – Government Agency
- b. Royal Malaysian Police – Government Agency
- c. 3 Worker's Representative. – 1 harvester , 1 mandor and 1 general worker
- d. Semoga Aktif Sdn Bhd
- e. Melangkang Oil Palm Plantations
- f. Novel Borneo Sdn Bhd

All positive and negative inputs from stakeholders has been discussed with management of **METRO EVERSHINE 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

Nil

Disclaimer

NIOOSH 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.

NIOOSH Certification does not provide any advice on compliance with any legislation, regulation, or standards. All audit reports and other documentation provided by NIOOSH 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 -