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## Audit Team Details:

Audit:	Date:	Audit Team	
Stage II Audit	28th & 29th January 2019	Lead Auditor	<b>Jeffrey Denis Ridu</b> ; Certified Lead Auditor QEHS (SGS Malaysia), Certified MSPO Auditor (SGS Malaysia), MSc Plantation Management (UPM), BS Ag business (Iowa State University, USA), DPIM (ITM Perlis); 21 years working experience related to palm oil; Site, documentation audit and interview based on Principles 1 to 6 of MS 2530-3:2013.
		Audit Member	<b>Fiano Laka Anak Pakun</b> ; Certified Lead Auditor QEHS (SGS Malaysia), Certified MSPO Auditor (SGS Malaysia), BSc (Hons) Plantation Technology & Management (UiTM Shah Alam), DPIM (UiTM K Samarahan); 4 years working experience related to palm oil; Site, documentation audit and interview based on Principles 1 to 6 of MS 2530-3:2013.

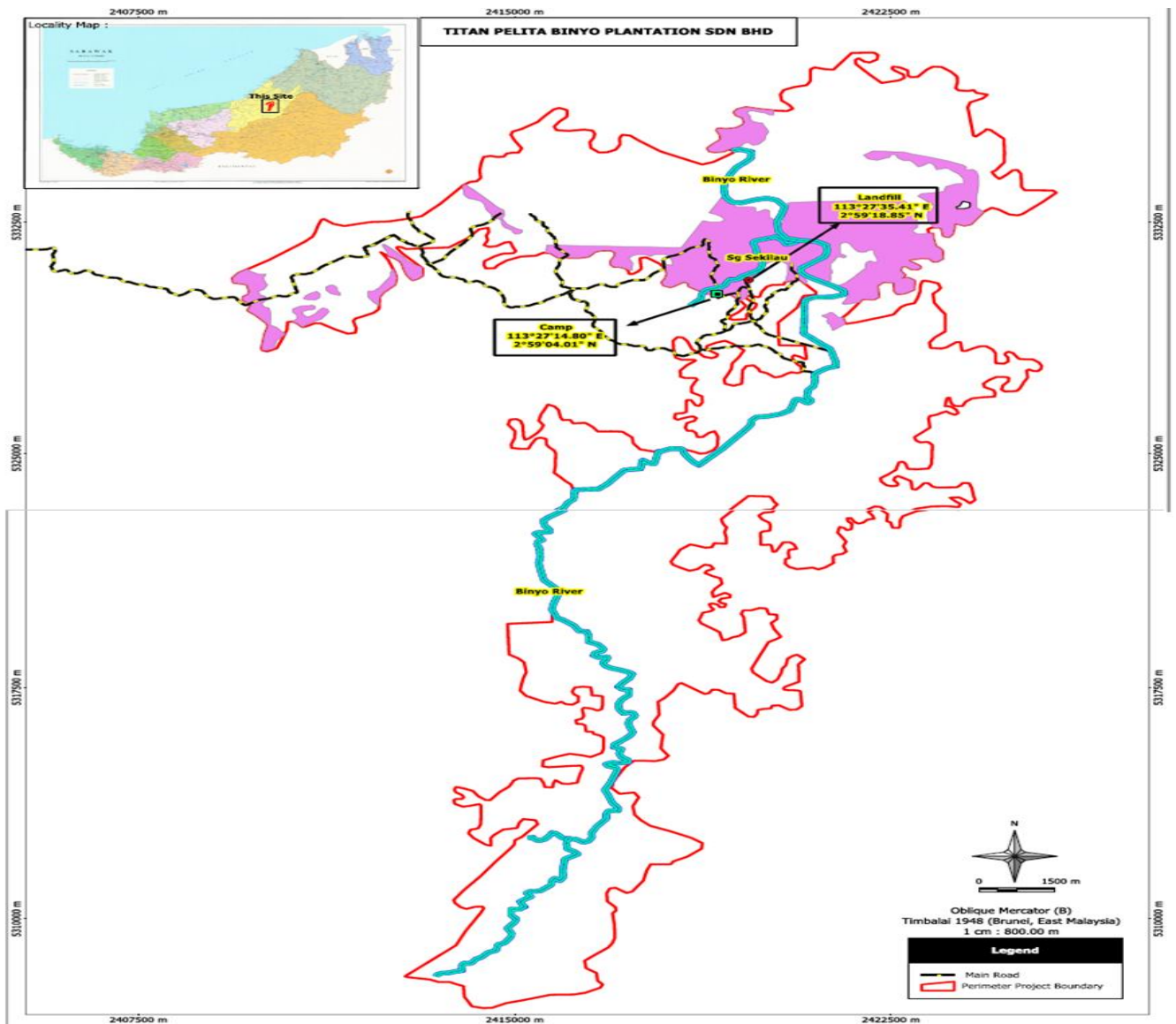
## Reviewed by:

<b>Clients Review:</b>	<b>Loo Siong Ching</b> ; Senior General Manager;	<b>Date:</b>	18 <sup>th</sup> February 2019
<b>Peer Reviewer 1:</b>	Name: Hong Wai Onn Field of expertise: Palm oil mill management, operations & processing	<b>Date:</b>	8 <sup>th</sup> March 2019
<b>Peer Reviewer 2:</b>	Name: Rohana Parilla Bt Abdul Salam Field of expertise: Sustainability, wildlife management, occupational health & safety	<b>Date:</b>	8 <sup>th</sup> March 2019

**Introduction**

This report presents the results of the Stage 2 certification assessment at Titan Pelita Binyo Pandan Plantation Sdn Bhd in Sg Binyo-Sg Pandan Region, Bintulu, Sarawak on 28th & 29th January 2019 by DIMA Certification Sdn Bhd. The purpose was to assess the operations of Titan Pelita Binyo Pandan Plantation Sdn Bhd against the requirements of the Malaysia Sustainable Palm Oil (MSPO) certifications. Titan Pelita Binyo Pandan Plantation Sdn Bhd, a joint venture company formed by Pelita Holdings Sdn Bhd (a wholly owned subsidiary company of LCDA) and Titan Greenview Sdn Bhd, to jointly develop about 1,747 ha of oil palm plantation under the NCR concept of land development. The project is called the "Proposed Titan Pelita Binyo Pandan Oil Palm Plantation in the Sg Pandan-Sg Binyo Region, Bintulu Division, Sarawak". LCDA has earmarked 26 pieces of land (covering approximately 1,747 ha) along the Sg Pandan-Sg Binyo Region, Bintulu Division for Native Customary Rights (NCR) Land Development. The reason for certification application is to become a Sustainable Oil Palm Producer.

**Location Map of the Production Unit**



**Audit Objectives**

The objectives of this audit were:

- to confirm that the management system conforms with all the requirements of the MSPO standard;
- to confirm that the organization has effectively implemented the planned MSPO management system;
- to confirm that the management system can achieve the organization's policy objectives.

**Audit Criteria**

The criteria of this audit were based on the MPOCC scheme requirements and **MS2530-3:2013 Part 3: General Principles for Oil Palm Plantations and Organized Smallholders**

**Table 1: Estate Locality**

Estate	Location Address	Geo-Coordinate (GPS)	
		Long.:	Lat.:
Titan Pelita Binyo Pandan Plantation Sdn Bhd	Sg Pandan-Sg Binyo, 97000 Bintulu, Sarawak	113° 27' 26.07"E (2.983382)	2° 59' 00.64"N (113.457229)

**Table 2: Area Statement**

Area Statement (Ha)				
Estate	Titled Area (Ha)	Planted (Ha) (Matured)	Conservation / HCV (Ha)	Others (Ha) (Immature)
Titan Pelita Binyo Pandan Plantation Sdn Bhd	1,747	628.61	-	1,118.39
<b>TOTAL</b>	1,747	628.61	-	1,118.39

**Company's Details**

Company Name:	Titan Pelita Binyo Pandan Plantation Sdn Bhd			
Company Registration No.:	1036578-U			
MPOB Licence No:	(License Not Yet Apply as The Crop Still In Immature Stages)			
Client Ref.No:	00002 / 1/2019			
Contact Details	Name:	Loo Siong Ching	Designation:	Senior General Manager - Group Operation
No. Of Mill:	-	No. Of Estate(S):	1	
Mill Capacity:	-	Total Certified Area:	1,747 Ha	
Type of Certification:	Individual	Total Planted Area:	628.61 Ha	
Address:	<u>Headquarters (Hq)</u>	Tel:	082-427657	
	No. 63 - 66, 1 <sup>st</sup> Floor, Kueh Hock	Fax:	082-420657	
		E-Mail:	-	
		Website:	-	

	Kui Commercial Centre, Jalan Tun Ahmad Zaidi Aduce, 93150 Kuching, Sarawak. <u>Estate:</u> Titan Pelita Binyo Pandan Plantation, Sg. Pandan-Sg. Binyo, 97000 Bintulu.	
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**Audit Details:**

AUDIT STAGE:	2 (Main Audit)		
CERTIFICATE NO:	DMC MSPO 002		
DATE OF ISSUE:	15 March 2019	DATE OF EXPIRY:	14 March 2024
STANDARD(S):			
	MS2530-2:2013 Part 2: General Principles for Independent Smallholders		
√	MS2530-3:2013 Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
	MS2530-4:2013 Part 4: General Principles for Palm Oil Mills		

**5 Years Audit Programme**

Surveillance 1		Surveillance 2		Surveillance 3		Surveillance 4		Reassessment (4 months before expiry)	
Plan Month	December 2019	Plan Month	December 2020	Plan Month	December 2021	Plan Month	December 2022	Plan Month	November 2023
Proposed Area	Binyo Pandan Plantation	Proposed Area	Binyo Pandan Plantation	Proposed Area	Binyo Pandan Plantation	Proposed Area	Binyo Pandan Plantation	Proposed Area	Binyo Pandan Plantation

**Audit Scope**

SCOPE
Production of Fresh Fruit Bunches (FFB) including Palm Oil Operations (Planting, manuring, spraying, weeding, harvesting) and management activities.

**Existing Certification**

Currently are being certified to other certification schemes as below

<b>Current Certification</b> (Please tick x in the applicable boxes)			
	ISO 9001		HACCP
	EMS 14001		RSPO
	OHSAS 18001/ISO 45001		ISCC
	ISO 22001		Others:
X	None in the Above		

**Audit Method and Plan**

The audit was conducted for Stage 2 for 2 audit days and involving 1 estate of Titan Pelita Binyo Pandan Plantation Sdn Bhd. The audit covers documentation review for internal procedures, management system, field inspection as well as identification of any significant issues for both environment or social issues and also the peer reviewer process as per ACB-OPMC-3. The 30 days of stakeholder consultation prior to the audit date as required by ACB-OPMC -4.

The audit evidence obtained was based on a sample of the information; thereby introducing an element of uncertainty. The methodology for objective evidence collection included physical site inspection, observation of tasks and processes, interview with workers, families and stakeholders, documentation review and monitoring data.

Site Sampling Methodology- Not Applicable.

Risk Determination- Medium

**Assessment Findings**

The specific processes, activities and functions reviewed are detailed in the Audit Plan. Details of collected evidence and audit trail of this audit are presented in the separate MSPO checklist. As outlined, objective evidence was obtained separately for each of the MSPO requirements (Indicators) for the mills and estates. The results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. A statement is provided for each of the indicators in order to support the findings of the assessment team. The audit was conducted based on the sampling basis.

There are 3 (3 Major NC; 0 Minor NC and 0 Observation) been raised on the MSPO checklist Part 3.

Major NCs have been closed within the period of 90 days after the Main assessment. Minor Non-compliances and Observations will be followed up during the next Annual Surveillance Audit which is scheduled to be conducted within the period of twelve months after the Report approval of Main Assessment. Corrective Action Plan (CAP) is required to be submitted for all finding within 30 days of the assessment and has been reviewed and accepted by the audit team.

Based on the audit, it was apparent that:

The internal audit program has been fully implemented and demonstrates effectiveness as a tool for maintaining and improving the management system	√
The management review process is adequate and effective.	√
The organization has met its objectives and targets and monitored progress towards their achievement.	√
The management system documentation confirms with the requirements of the MSPO audit standard.	√

#### Previous Audit Findings – If Applicable

Nonconformity identified during previous audits has been corrected and the corrective action continues to be effective	NIL
Not adequately addressed nonconformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report.	NIL

#### Audit Conclusion and Recommendation

The audit team concludes that the organization fulfill the requirements of the MS 2530-3 standard and demonstrated the ability of the system to systematically achieve agreed requirements for products or services within the scope and the organization's policy and objectives.

The audit team recommends that, MSPO certification be: Granted to Estate of Titan Pelita Binyo Pandan Plantation Sdn Bhd.

#### Stakeholders Consultation

Please see **Appendix A** for the list of stakeholders based on categories which was contacted during the commencement of this audit.

#### Appendix A: Stakeholders Contacted

Stakeholders Categories	Stakeholder's Input / Comments	Clients Feedback / Response
Government (External)	No issues so far. Any issues brought up will be discussed through proper channel provided.	There is a two-way communication available.
NGO (External)	No issues.	Maintain the good relationship.
Contractors/Suppliers (External)	Happy with the business dealings and have no issues.	Maintain the good relationship.
Indigenous people/ Local communities (External)	The company has brought good impact to the landowners.	Maintain the good relationship.
General Workers (Internal)	Happy with work condition and pay.	Always looking after the welfare and well-being of all employees.