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Audit Team Details:

Audit:	Date:	Audit Team	
Stage II Audit	15 th January 2019	Lead Auditor	Jeffrey Denis Ridu ; 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	Fiano Laka Anak Pakun ; 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.

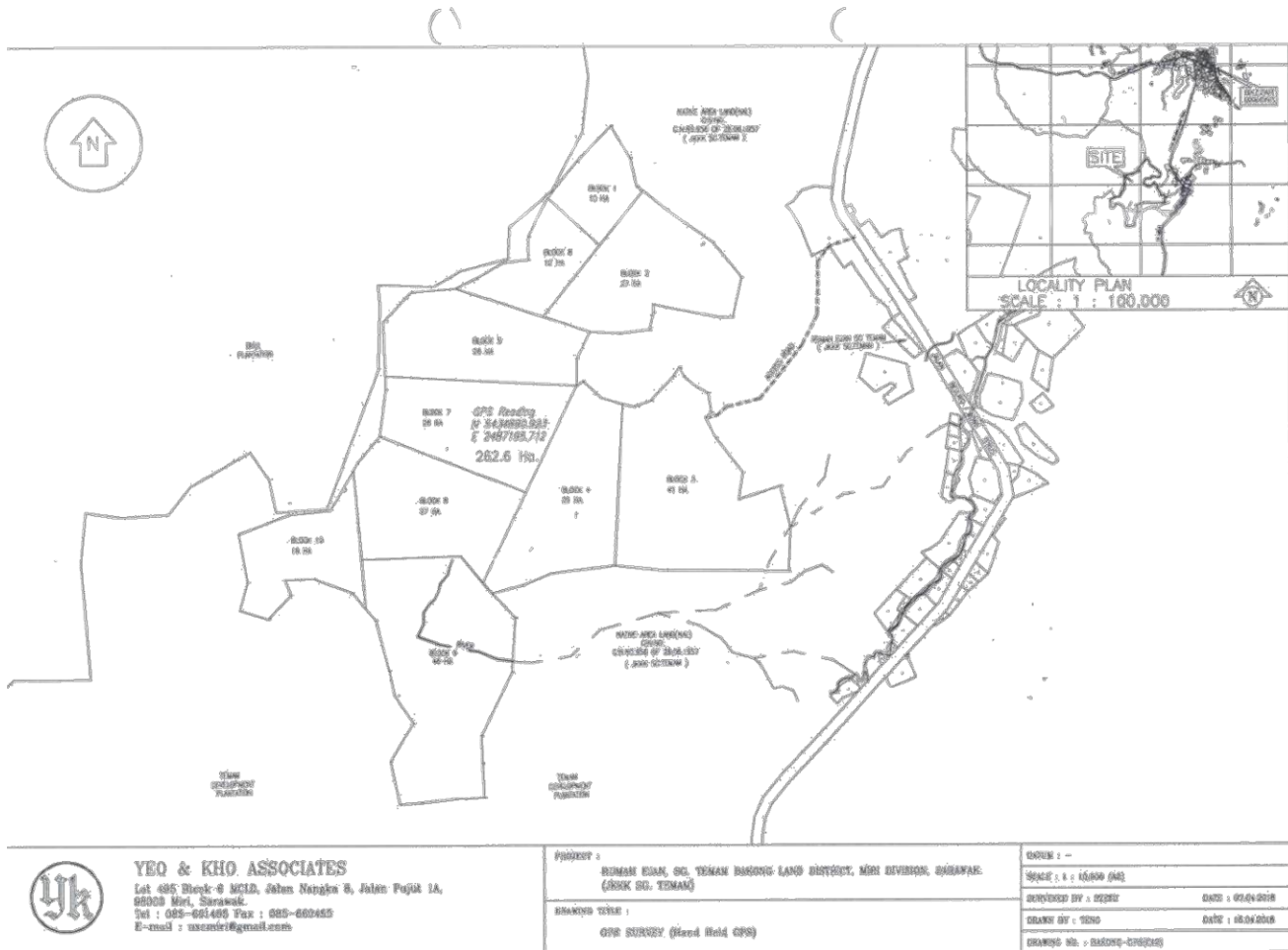
Reviewed by:

Clients Review:	1) Hiew Koi Hien; Estate Manager; 2) Oh, Li Chin; Documentation;	Date:	31 January 2019
Peer Reviewer 1:	Name: Rohana Parrilla Bt Abdul Salam Field of expertise: Sustainability, wildlife management, occupational health & safety	Date:	06 February 2019
Peer Reviewer 2:	Name: Hong Wai Onn Field of expertise: Palm oil mill management, operations & processing	Date:	06 February 2019

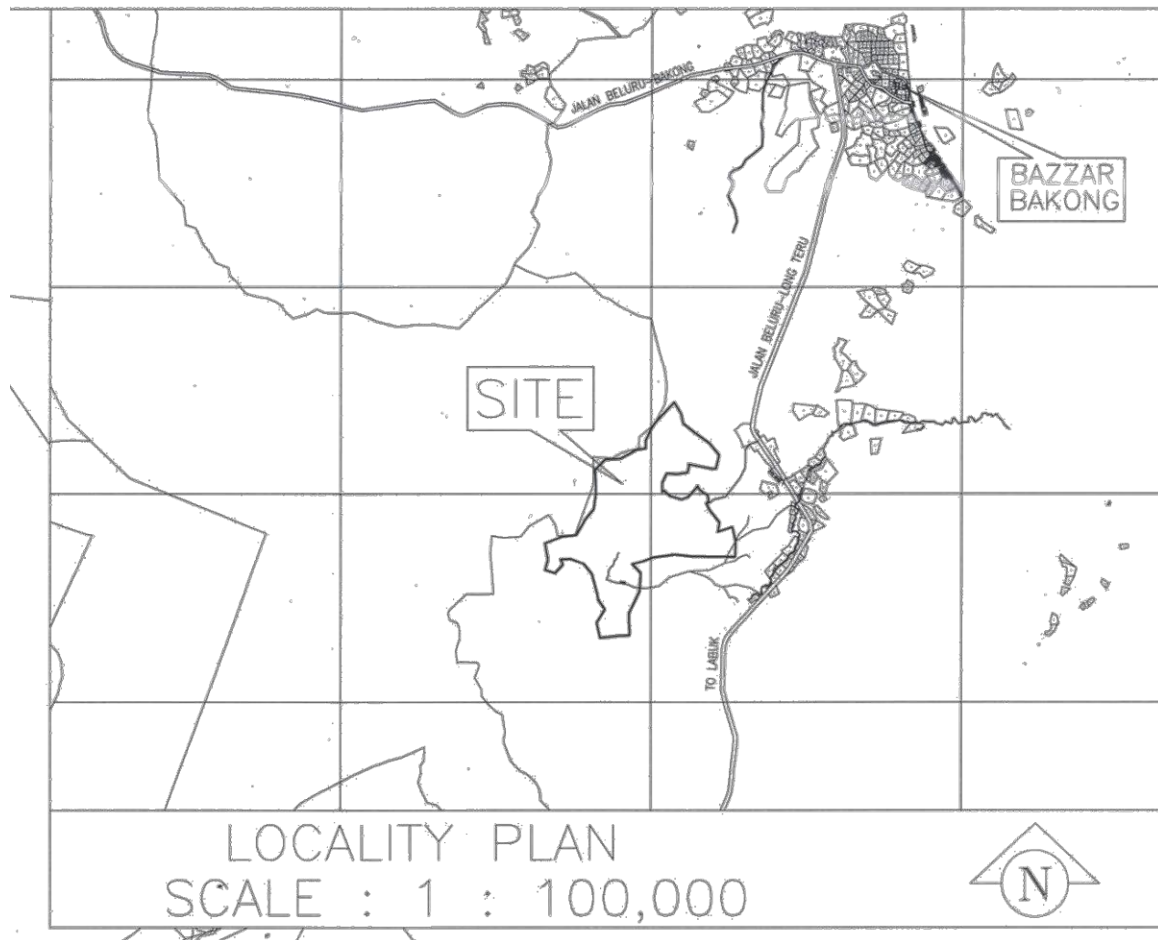
Introduction

This report presents the results of the **Stage 2 certification assessment** at Usaha Asijaya Sdn Bhd in Bakong, Miri, Sarawak on 15/01/2019 by DIMA Certification Sdn Bhd. The purpose was to assess the operations of Usaha Asijaya Sdn Bhd against the requirements of the Malaysia Sustainable Palm Oil (MSPO) certifications. Usaha Asijaya Sdn Bhd was started in 2004. It is an oil palm plantation on rented NCR land. Refer to Native Land area, G. N. No.: 956 of 28/06/1957 (JKKK Sungai Temam). Reason for certification application is to become a sustainable palm oil producer.

Location Map of the Production Unit



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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.:
Usaha Asiajaya Sdn Bhd	NCR Land, Sungai Temam, Bakong, 98000 Miri, Sarawak	N 5434890.923	E 2487195.712

Table 2: Area Statement

Area Statement (Ha)				
Estate	Titled Area (Ha)	Planted (Ha) (Matured)	Conservation HCV (Ha)	Others (Ha) (Immature)
Usaha Asijaya Sdn Bhd	385.53	262.60	0.00	122.93
TOTAL	385.53	262.60	0.00	122.93

Company's Details

COMPANY NAME:	Usaha Asijaya Sdn Bhd			
COMPANY REGISTRATION NO.:	661352-H			
MPOB LICENCE NO:	525454002000 <i>Menjual dan mengalih FFB Bagi tempoh Satu (01) tahun bermula dari 01/01/2019 hingga 31/12/2019 (383.53 ha)</i>			
CLIENT REF.NO:	00001 / 11/2018			
CONTACT DETAILS	NAME:	Mr Hiew Koi Hien	DESIGNATION:	Estate Manager
	PHONE:		EMAIL:	
NO. OF MILL:	NIL		NO. OF ESTATE(S):	1
MILL CAPACITY:	NIL		TOTAL CERTIFIED AREA:	385.53 Ha
TYPE OF CERTIFICATION:	Individual		TOTAL PLANTED AREA:	262.60 Ha
ADDRESS:	<u>Headquarters</u> Lot 1833, 1 st Floor, Piasau Industrial Estate, 98000 Miri, Sarawak Estate Address NCR Land, Sungai Temam, Bakong, 98000 Miri, Sarawak		TEL: 085-324743 Fax: NIL	

Audit Details:

AUDIT STAGE:	2 (Main Audit)		
CERTIFICATE NO:	DMC MSPO 001		
DATE OF ISSUE:	12 February 2019	DATE OF EXPIRY:	11 February 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 Certificate Expiry)	
Plan Month	November 2019	Plan Month	November 2020	Plan Month	November 2021	Plan Month	November 2022	Plan Month	July 2023
Propose d Area	Usaha Asiajay a Estate	Propose d Area	Usaha Asiajay a Estate	Propose d Area	Usaha Asiajay a Estate	Propose d Area	Usaha Asiajay a Estate	Propose d Area	Usaha Asiajay a Estate

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

Current Certification <i>(Please tick x in the applicable boxes)</i>			
	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 man days which involving 1 estate of Usaha Asijaya 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 6 (6 Major NC; 0 Minor NC and 0 Observation) non conformities 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 Usaha Asijaya 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) (MPOCC)	Have close and good relationship.	Maintain the good relationship.
NGO (External) (WWF Malaysia)	No issues.	Maintain the good relationship.
Contractors/Suppliers (External)	Know about MSPO and have no issues with estate.	Maintain the good relationship.
Indigenous people/ Local communities (External)	The estate management support local communities and have close and good relationship.	Maintain the good relationship.
General Workers (Internal)	Happy with working condition and facilities. No issues with estate.	Maintain the good relationship.