



Assessment Report	28 April - 28 April
	2018

[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the Malaysian Sustainable Palm Oil (MSPO) MS 2530-2:2013 General Principles For Independent Smallholder and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances.]

MSPO

Company Name	KIAN HOE PLANTATION BERHAD- CORONATION PALM OIL MILL
Address	CORONATION PALAM OIL MILL , BATU 3, JALAN BATU PAHAT, P.O. BOX 504, 86009 KLUANG, JOHOR, MALAYSIA
Report No.	MS18FM008
Status of Audit	First Assessment Audit (Document Review)

Section A General Information

General	
Standard Assessed	MSPO MS 2530-4:2013
Audit objectives	To verify the document established to met the requirement of the standard and ready for the stage 2 assessment
Integrate Assessment	No

Contact Details	
Management Representative	Yong Kheng Chien
Alternate contacts	Chua Jia Chyau
Management Representative contact no.	012- 648 2582
E-mail address	chuaajc87@gmail.com
Fax Number	07-7727193
Phone Number	07-7737189

Scope of Certification	
Scope of certification in English	Production of Fresh Fruits Bunch
Applicable clause of the MS 2530-2:2013	Clause 4.1, 4.2, 4.3, 4.4, 4.5, 4.6
Changes from Previous registration	No
Extension/changes of scope date	NA

System Documentation Information	
Quality Manual Document Identification	NA
Last Management System revision date	NA
Previous Management System date	NA
Management Review Date	23 April 2018
Internal audit Date	7 April 2018

Section B Audit Note

Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY
Opening Meeting and Closing Meeting	<p>Opening Meeting</p> <ul style="list-style-type: none"> a) introduction of the participants, including an outline of their roles; b) confirmation of the scope of certification; c) confirmation of the audit plan (including type and scope of audit, objectives and criteria), any changes, and other relevant arrangements with the client, such as the date and time for the closing meeting, interim meetings between the audit team and the client's management; d) confirmation of formal communication channels between the audit team and the client; e) confirmation that the resources and facilities needed by the audit team are available; f) confirmation of matters relating to confidentiality; g) confirmation of relevant work safety, emergency and security procedures for the audit team; h) confirmation of the availability, roles and identities of any guides and observers; i) the method of reporting, including any grading of audit findings; j) information about the conditions under which the audit may be premature terminated; k) confirmation that the audit team leader and audit team representing the certification body is responsible for the audit and shall be in control of executing the audit plan including audit activities and audit trails; l) confirmation of the status of findings of the previous review or audit, if applicable; m) methods and procedures to be used to conduct the audit based on sampling; n) confirmation of the language to be used during the audit; o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; p) opportunity for the client to ask questions. <p>Closing Meeting</p> <ul style="list-style-type: none"> a) informing the client that the audit evidence collected was based on a sample of the

	<p>information; thereby introducing an element of uncertainty</p> <p>b) the method and timeframe of reporting, including any grading of audit findings;</p> <p>c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;</p> <p>d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;</p> <p>e) the certification body's post audit activities;</p> <p>f) information about the complaint handling and appeal processes.</p> <p>g) Any diverging opinion that are not resolved.</p> <p>h) opportunity for the client to ask questions.</p>
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System requirements	Y / N	Document reference if select "Y" or comments if select "N"
4.1 Management Commitment & Responsibility		
4.1.1 MSPO Policy	YES	<p>4.1.1.1 MSPO Policy date on 14/3/ 2018 - Sustainability Policy. Sign by Ong Chin Lam , Chairman. in Policy document consist Policy for Safety and Health Policy, Environmental policy, Equal Policy, Sexual Harrasesment policy, Social and Human rights Policy and Electrical Energy Management Policy.</p> <ul style="list-style-type: none"> • A written policy statement on the commitment towards sustainable production of palm oil. This policy shall be communicated to all levels of the workforce and stakeholders. Will verified during stage 2. • Interview of personnel and stakeholders whether they are aware of the MSPO Policy and its implementation at the site. Will verified during stage <p>4.1.1.2 Continues improvement plan-There are no significant related assesment of continues improvement and also budget that has been presented. example-Budget for Fuel Conveyer 3A and 4A , - sighted inside Budget CAPEX 2018,- there are no significant assesment has been done. will verified during stage 2.</p>
4.1.2 Internal Audit	YES	<p>4.1.2.1 Internal audit plan- Internal audit plan 2018 - Sighted the internal audit plan dated on 7th April 2018.</p> <p>4.1.2.2 Internal audit finding- Internal Assessment report dated on 7th April 2018.</p> <p>4.1.2.3 Internal audit finding- Internal Assessment report dated on 7th April 2018.</p> <p>4.1.2.2-Internal audit procedure-Prosedur Kerja Selamat -Procedure Internal audit available and shown clear mechanism to follow up on Non Confirmty has been raise.</p> <p>4.1.2.3-Internal audit report for management review- Findings of internal audit have been include inside management review agenda-</p>
4.1.3 Management Review	YES	4.1.3-Management review -Once a year -done on 23 April 2017. Will verified the content during stage 2.
4.1.4 Continual Improvement	YES	4.1.4-Continues improvement plan-There are no significant related assesment of continues improvement plan also budget that has been

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		presentated-Eg Budget for CAPEX 2018 there are no significant assement has been conduted.
4.2 Transparency		
4.2.1 Transparency of information and documents relevant to MSPO requirement	YES	4.2.1.1-The document related on MSPO can seen at notice board - eg Sustainability Policy, . The complaint form can been found at the post guard. Others information will be verified during 2 nd stage.
4.2.2 Transparent method of communication and consultation	YES	4.2.1.2- The transparency method of communication had been brief during stakeholder meeting . Will be verified during 2 nd stage 4.2.2.1-Procedure aduan and greviances date 15/.03/.2018, Prosedur Stakeholder dated on 15/3/2018 Complaint form avaiable at the post guard and the procedure have been well brief to all employee and stakeholder. Record complaint and action taken will be verified during 2 nd stage. .4.2.2.2-Nominated management-Appointment letter dated on 23/3/2018 4.2.2.3-List of stakeholder -List of stakeholder Estate and mill.
4.2.3 Traceability	YES	4.2.3.1-Traceability procedure SOP are available in SOP for tracebility date on 15.03.2018.
4.3 Compliance to legal requirements		
4.3.1 Regulatory requirements	YES	4.3.1.1 Applicable license such as DOE License, Permit Barang Kawalan Berjadual, MPOB License, DOSH Permit etc. 4.3.1.2 Refer to Legal Requirement Register (LRR) 4.3.1.3 Refer to Legal Requirement Register (LRR) 4.3.1.4 Appointment letter for Lawrence Lim Chee Kheng dated on 22/3/2018
4.3.2 Land use rights	YES	4.3.2.1 Land Title - KIAN HOE PLANTATIONS BERHAD 4.3.2.2 Own by KIAN HOE PLANTATIONS BERHAD Verified during 2 nd Stage 4.3.2.3 Own by KIAN HOE PLANTATIONS BERHAD Verified during 2 nd Stage 4.2.3.4 Verified during 2 nd Stage
4.3.3 Customary rights	YES	4.3.3.1 No customary land.- not applicable. 4.3.3.2 No official map 4.3.3.3 No land dispute issue
4.4 Social responsibility, health, safety and employment condition		
4.4.1 Social impact assessment (SIA)	YES	4.4.1.1 social impact assesment has been carried out on 17 th & 18 th April 2018 . - Social report, social management plan found to be adequate, the content will be verified during 2 nd stage.

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
4.4.2 Complaints and grievances	YES	4.4.2.1 -Procedure Aduan and grievances date on 15.03.2018. 4.4.2.2-Prosedur Aduan and grievances date on 15.03.2018 4.4.2.3-Complaint form 4.4.2.4-Stakeholder meeting has been mention. 4.4.2.5-Complaint form.
4.4.3 Commitment to contribute to local sustainable development	YES	4.4.3.1 CSR Activities file.
4.4.4 Employees safety and health	YES	4.4.4.1-Safety and Health plan has been establish date on 14 March 2018.Safety and health plan. 4.4.4.2-HIRARC date on 15 April 2018. -Safe working procedure file according to work station. -License and Permit are in Place -Training records Labotary. -CHRA is not yet been done but the company already appoint HRA assessor to do the assessment - Sighted the appointment letter for CHRA assessor through email dated on 30/3/2018. -Appointment letter safety Officer. -Minute of meeting safety that has been held monthly -Emergency preparedness procedure . -First aid training is on plan- will be verified during 2 nd stage. -First aid kits, emergency equipment, personal protective equipment (PPE), Emergency shower and eye wash to be provided at the lab. • Danger/warning signages, safety instructions, MSDS/CSDS, emergency actions - will be verified during 2 nd stage. • Availability of PPE storage facility. Will Verified in Stage 2
4.4.5 Employment conditions	YES	4.4.5.1-Policy date on 15/3/2018 - eg Equal Policy 4.4.5.2-Will verified in stage 2. 4.4.5.3-Offer letter for Employee - will be verified during 2 nd stage. 4.4.5.4-Contractor payment slip - will be verified during 2 nd stage.Salary 1120 according to the minimun wages. 4.4.5.5-Attendance record - puch card - will be verified during 2 nd stage. 4.4.5.6-Offer letter and contract agreement for Employee - will be verified during 2 nd stage. 4.4.5.9-Salary slips in place and comply with requirement 4.4.5.10-Salary slips payment for overtime and production more than target.

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		4.4.5.11-Will verified in Stage 2 4.4.5.12-Will verified in stage 2 4.4.5.13-Statement can join union inside the Sustainability Policy date on 15/3/2018 and contract agreement. 4.4.5.14-List of workers name complete with Age are available complete.
4.4.6 Training and competency	YES	4.4.6.1 As per Training Needs Analysis , Employee Training Profile & Post Evaluation and Monthly Tentative Schedule. 4.4.6.2 As per Training Matrix Analysis, Training Plan and Training Attendance Records. 4.4.6.3 As per Training Matrixs and Monthly Tentaive Schedule and Safety Training Programme 2018.
4.5 Environment, natural resources, biodiversity and ecosystem services		
4.5.1 Environmental management plan	YES	4.5.1.1, a) Environmental Policy dated 14/3/2018 b) Environmental Impact Assessment dated 10/04/2018 c) Environment training programme as per Training Plan. 4.5.1.2 Verified during 2 nd Stage 4.5.1.3 Verified during 2 nd Stage 4.5.1.4 Verified during 2 nd Stage 4.5.1.5 Verified during 2 nd Stage 4.5.1.6 Verified during 2 nd Stage
4.5.2 Efficiency of energy use and use of renewable energy	YES	4.5.2.1 As per Summary of Diesel Usage & Received just created - record as at todate are from year 2017. 4.5.2.2 As per Summary of Diesel Usage & Received just created - record as at todate are from year 2017. 4.5.2.3 Not Applicable due to no renewable energy use for operation
4.5.3 Waste management and disposal	YES	4.5.3.1 Inventory Of Schedule Waste (Fifth Schedule) updated 14/4/2018 listed SW305, SW 306, SW410. 4.5.3.2 As per Waste Management Plan - refer to environmental management plan - the mitigation plan will be verified during 2 nd stage. 4.5.3.3 As per Prosedur Kerja Standard: Pengendalian Bahan Buangan Berjadual (Schedule Waste) effective date 15/03/2018

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		4.5.3.4 As per Prosedure Kerja Standard: Pengendalian Bahan Buangan Domestik efective date 15/03/2018
4.5.4 Reduction of pollution and emission	YES	4.5.4.1 As per Waste Management Plan - refer to environmental management plan - the mitigation plan will be verified during 2 nd stage. 4.5.4.2 As per Waste Management Plan - refer to environmental management plan - the mitigation plan will be verified during 2 nd stage. 4.5.4.3 Valid DOE License for period of 01/07/2017 to 30/06/2018 and water sampling result.
4.5.5 Natural water resource	YES	4.5.5.1 As per Water Management Plan and Record of CPO, PK, PKS, Fiber, POME Production and Water Consumption. 4.5.5.2 As per Waste Management Plan - refer to environmental management plan - the mitigation plan will be verified during 2 nd stage.
4.6 Best Practices		
4.6.1 Mill management	YES	4.6.1.1 As per Coronation Palm Oil Mill Standard Operation Procedure with effective date on 15/03/2018 4.6.1.2 As per , Operation Internal Audit dated 07/04/2018
4.6.2 Economic and financial viability plan	YES	4.6.2.1 As per Budget Overall Fiscal Year 2018 for capital expenditure, general charges, mill processing cost, machinery maintenance and upkeep .
4.6.3 Transparent and fair price dealing	YES	4.6.3.1 As per Internal Memo- FFB Price monthly update , payment voucher to FFB supplier. 4.6.3.2 Verify during the 2 nd Stage
4.6.4 Contractor	YES	4.6.4.1 As per Contract Agreement, Intenal Memo and Job Contract. Letter of Acceptance issued by Coronation Palm Oil to contractor - will be verified during 2 nd stage. 4.6.4.2 Varified during the 2 nd Stage

Observation for Improvement

Auditor	Observation
ZU	4.3.3.2 To identified the mill land ownership by keep copy of land titile, grant and permit even though it belong to parent compant Kian Hoe Plantation Berhad 4.3.1.4 To give the appointed safety officer relevant training and ensure the competency of safety officer had gone through certified training as safety officer. 4.4.5 - To issue memo to the all employee regarding MSPO that allowed workers to join Union and revise basic salary according mnumim wages eventhough the contract agreement already been amended..

During the assessment 0 nonconformities were identified. (refer to attachment)

Section C Conclusion

Document Review Conclusion

- The documentation is acceptable and complete, there is no finding/issue at this time and progress has been established towards next stage of audit/MAV.
- The documentation is generally acceptable, however there are a numbers of finding/issued which the company needs to address before proceeding to stage 2/MAV.

(Please proceed to follow up section)

Note : The assessment was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party


Number of Employees (covered by scope of registration) 144

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Mohamad Zulkefli bin Md. Isa	1. Chua Jia Chyau 2. Nur Amalina Natasha binti Rosli	Quality Engineer. MSPO compliance staff
Team member		
Nil		
Trainee auditor		
NIL		
Observer		
NIL		

Company Information if different from above

Invoicing address if different from above	Same as above
Alternate contact (if applicable)	Same as above

Acknowledge receipt of this report:

	Signed for on behalf of CCI	Signed for on behalf of the client
Signed		
Name	Mohamad Zulkefli bin Md. Isa	Chua Jia Chyau
Date	28/4/2018	28/4/2018
E-mail	admin@cciglobe.com	

Fax No	03-8073 2688	
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FOLLOW – UP:

Area of Concern status:

No	Description				
1					
	Auditor comment				
	Status	close		open	
2					
	Auditor comment				
	Status	close		open	
3					
	Auditor comment				
	Status	close		open	

Stage 1 audit conclusion:

Corrective action completed, site is now ready for stage 2 audit.

Signatory of auditor	
Date	