



Assessment Report	4 <sup>th</sup> June - 4 <sup>th</sup> June
	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	YPH PLANTATION SDN BHD 1. LADANG ALAF 2. LADANG PAYUMANIS 3. LADANG YPJP SEDILI
Address	KM 23, Jalan Kulai-Kota Tinggi, K.B 510, 81900 Kota Tinggi, Johor Darul Takzim
Report No.	MS18FM018
Status of Audit	First Assessment Audit (Document Review)

## Section A    General Information

General	
Standard Assessed	MSPO MS 2530-3:2013
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	En. Mohd Aznawi Bin Mohd Samin
Alternate contacts	Hj Fauzahar Bin Hj Sail
Management Representative contact no.	+6019 7722411
E-mail address	aznawi8411@gmail.com
Fax Number	+6078976586
Phone Number	+6078976586

Scope of Certification	
Scope of certification in English	Provision of Planting & Harvesting of Fresh Fruits Bunches
Applicable clause of the MS 2530-2:2013	Clause 4.1, 4.2, 4.3, 4.4, 4.5, 4.6 and 4.7
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	04/06/2018
Internal audit Date	NIL

## Section B    Audit Note

### Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY
Opening Meeting and Closing Meeting	Opening Meeting 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;

	<p>m) methods and procedures to be used to conduct the audit based on sampling;</p> <p>n) confirmation of the language to be used during the audit;</p> <p>o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns;</p> <p>p) opportunity for the client to ask questions.</p> <p><b>Closing Meeting</b></p> <p>a) informing the client that the audit evidence collected was based on a sample of the 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"
<b>4.1 Management Commitment &amp; Responsibility</b>		
4.1.1 MSPO Policy	Y	<p>4.1.1.1 Polisi Kemampanan date on 1 April 2018. Sign by Pengarah Eksekutif En Mohd Sukri Bin Ismail (YPJ-POLISI-03).</p> <p>- 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.</p> <p>- Interview of personnel and stakeholders whether they are aware of the MSPO Policy and its implementation at the site. Will verified during stage 2.</p> <p>4.1.1.2 Continues improvement statement sighted in the MSPO Policy. The implementation will verified during stage 2.</p>
4.1.2 Internal Audit	Y	<p>4.1.2.1 Internal audit not yet been done, the date of the plan to conduct the internal audit on 12<sup>th</sup> -16<sup>th</sup> August 2018 as per verified in 1<sup>st</sup> MSPO Progress Meeting Minute.</p> <p>4.1.2.2 As per Prosedur Audit Dalaman MSPO (YPJP-SOP-58)</p> <p>4.1.2.3 Internal audit not yet conducted. - Advised to conduct as per planned (OBS)</p>
4.1.3 Management Review	Y	<p>4.1.3-Management review not yet conducted, plan to conduct on 19<sup>th</sup> - 20<sup>th</sup> Sept 2018 for Management Review Meeting.</p> <p>- Advised to conduct as per planned (OBS)</p>
4.1.4 Continual Improvement	Y	<p>4.1.4.1 - As per</p> <p>i) Pelan Pengurusan Alam Sekitar &amp; Pelan Pencegahan Pencemaran on May 2018.</p> <p>i) Program OSHA &amp; Environment 2018</p> <p>ii) HIRARC form has been identified for the additional control of risk dated 15<sup>th</sup> April 2018.</p>

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		4.1.4.2. NA 4.1.4.3 NA
<b>4.2 Transparency</b>		
4.2.1 Transparency of information and documents relevant to MSPO requirement	Y	4.2.1.1 -Borang Aduan in the system as per Procedur Rundingan Pihak Berkepentingan (YPJ-SOP-60) dated 05/04/2018 and Prosedur Aduan dan Ketidakpuasan Hati (YPJP-SOP-59) dated 05/04/2018. -Borang Aduan been located at office, AP post as informed by management. - To be veried during 2 <sup>nd</sup> audit. -Verified the record of informing of MSPO compliance to few contractor. 4.2.1.2 Pelan Pengurusan Alam Sekitar & Pelan Pencegahan Pencemaran on May 2018, Program OSHA & Environment 2018, HIRARC form dated 15th April 2018, Borang Aduan and Land title
4.2.2 Transparent method of communication and consultation	Y	4.2.2.1 -SOP -Procedur Rundingan Pihak Berkepentingan (YPJ-SOP-60) dated 05/04/2018 and Prosedur Aduan dan Ketidakpuasan Hati (YPJP-SOP-59) dated 05/04/2018. 4.2.2.2 -Nominated management-Appointment letter as Pengerusi Jawatankuasa MSPO has been nominated for Alaf Estate (En Fauzahar Bin Sali), Payamunis Estate (Abdul Kadir Bin Mohd Yasin), and YPJP Sedili (Mohd Idris Bin A. Rahman) signed by Pengarah Eksekutif dated 01/01/2018. 4.2.2.3 -List of stakeholder as per Senarai Pihak Berkepentingan. -Verified the record of informing of MSPO compliance to few contractor. -Advise to conduct stakeholder consultation to all stakeholder as per Senarai Pihak Berkepentingan.
4.2.3 Traceability	Y	4.2.3.1 -Darft of Standard Operating Procedure (SOP) for Kebolehhesanan (traceability), YPJP-SOP-64 has been shown by consultant, not yet finalize. (OBS) 4.2.3.2 - To verified during 2 <sup>nd</sup> Stage audit on and communication procedure. 4.2.3.3 -Appointment letter-Responsible person for Traceability (En Mohd Izwan Bin Salim) dated 01/01/2018 signed by Pengurus (Hj Fauzahar B Hj Sail) 4.2.3.4 - Record of Pocket Checkroll, Pinfosys book, Summary of crop book, FFB delivery Note, Reipt Weighing Listing Report, invoice and FFB purchased.
<b>4.3 Compliance to legal requirements</b>		
4.3.1 Regulatory requirements	Y	4.3.1.1 As per valid license MPOB FFB, Nursery, deduction of employee salary from JTK, however for Ladang Alaf water extraction permit expired on 31/12/2017, permit of storing diesel and air

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		<p>compressor not yet received, the document of application has been verified.(OBS) - To be verified in 2<sup>nd</sup> stage Audit.</p> <p>4.3.1.2 As per Summary of Compliance dated 24/05/2017 and sighted listed 25 applicable laws to management such as EQA 1974, OSHA 1994, Pesticide Act 1974 etc</p> <p>4.3.1.3 PIC on law and Regulation will update the List Of Laws And Act by yearly basis.</p> <p>4.3.1.4 Appointment letter for Mohd Fikryazry Bin Mohamad Room is sighted as Legal Requirement PIC the appointment letter dated 01/01/2018.</p>
4.3.2 Land use rights	<b>Y</b>	<p>4.3.2.1 As per estate map- as per on Pelan Tanah BorangB2.</p> <p>4.3.2.2 As per Land Title: Borang B2: Hakmilik Sementara- No. H.S.(D): 7742, No PTB: 3668A and No.H.S.(D): 7743, No PTD 3668.</p> <p>4.3.2.3 As per boundary stone and border drain- will verified during 2nd Stage</p>
4.3.3 Customary rights		Not Applicable
<b>4.4 Social responsibility, health, safety and employment condition</b>		
4.4.1 Social impact assessment (SIA)	<b>Y</b>	4.4.1.1 - Social Impact Assessment not yet conducted, plan to conduct on 16 <sup>th</sup> - 18 <sup>th</sup> July 2018 as stated in 1 <sup>st</sup> MSPO Progress Meeting Minutes (OBS).
4.4.2 Complaints and grievances	<b>Y</b>	<p>4.4.2.1- As per Prosedur Rundingan Pihak Berkepentingan (YPJ-SOP-60) dated 05/04/2018 and Prosedur Aduan dan Ketidakpuasan Hati (YPJP-SOP-59) dated 05/04/2018.</p> <p>4.4.2.2- Will verified during 2nd Stage</p> <p>4.4.2.3- As per Borang Aduan - will verified during 2<sup>nd</sup> stage.</p> <p>4.4.2.4- The complaint procedure done inform to employee during Latihan Pengenalan dan Kesedaran Persijilan MSPO on 16/04/2018.</p> <p>4.4.2.5- No complaint received yet.</p>
4.4.3 Commitment to contribute to local sustainable development	<b>Y</b>	4.4.3.1 Sighted contribution has been made as verified the record kept in file Tanggunejawab Sosial Korporat, i.e. Letter request for donation from school and replied by Management for the donation,
4.4.4 Employees safety and health	<b>Y</b>	<p>4.4.4.1- As per Polisi Keselamatan Dan Kesihatan Pekerjaan dated 01/04/2018 signed by Pengarah Eksekutif, En Mohd Sukri Bin Ismail.</p> <p>- Program OSHA &amp; Environemnt 2018 available, training planned such as First Aid Training, Competency of tractor handling, Introduction of PPE, etc.</p> <p>4.4.4.2- Safety plan</p> <p>a) Safety &amp; Health policy has been communicated to employee on 16/04/2018 in Latihan Pengenalan dan Kesedaran Persijilan MSPO.</p> <p>b) As per HIRARC date on 15/04/2018</p> <p>c) As per Ladang Alaf Program OSHA &amp; Environment 2018.</p> <p>d) As per Rekod Pengeluaran Barang-Barang Keselamatan Pekerjaan 2018.</p>

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		e) As per Prosedur Kerja Selamat: Urus Kimia v1, (YPJP-SOP-56) f) PIC for safety appointed En Mohamad Ariffudin Bin Kamasan dated 01/01/2018 signed by Pengurus (Hj Fauzahar B Hj Sail) g) As per safety committee minute meeting, last meeting conducted on 22/03/2018, 23/12/2017, 28/09/2017 and etc. h) As per Prosedur Kerja Selamat: Garis Panduan Kemalangan & Keracunan (YPJP-SOP-42), Pelan Tindakan Kebakaran, Tumpahan Diesel, Tumpahan Bahan Kimia in file Pelan Tindakan Kecemasan. i) Verified Latihan Penedalihan Peti Pertolongan Cemas by Hospital Assitant (Hj Md Nor Selamat) to first aider. Content of first aid box will be verified during 2 <sup>nd</sup> stage Audit. j) As per Daftar Kemalangan, Kejadian Berbahaya, Keracunan Pekerjaan dan Penyakit Pekerjaan 2018. JKPP8 for 2017 is sighted dated 16/01/2018
4.4.5 Employment conditions	Y	4.4.5.1 -Polisi Kemampanan (Sustainability) dated 01/04/2018 signed by Pengarah Eksekutif (En Mohd Sukri B Ismail). the content has mention on social such as Memacu Impak Sosio-Ekonomi yang positif, Menghormati dan menyokong Pengisytiharan Hak Asasi Manusia, Menghormati Hak Pekerja, Peluang Pekerjaan yang sama, Gangguan Seksual dan Keganasan, Penglibatan Pihak Berkepentingan. 4.4.5.2 refer Polisi at 4.4.5.1 4.4.5.3 Refer to employment card and agreement contract, wages refer to MAPA/NUPW, sighted MAPA/NUPW agreement was last updated on July 2016. 4.4.5.4 Refer to pay slip for contractor (MSK Gemilang Ent.), verified that the wages for month April 2018 are as per legal and industry minimum standard. sample as below: i. Mustamin - RM 1795 ii. Ahmadi - RM 1362 iii. Ariyan - RM 1467, iv. etc. 4.4.5.5. The record and detail of employee has been stated in Kad Daftar Pekerja
4.4.6 Training and competency	Y	4.4.6.1 -Program OSHA & Environment 2018 available, the need of training as been listed as Golongan Sasaran. -Training record verified for Latihan Peti Pertolongan Kecemasan dated 22/03/2018, Latihan SOP Polis Bantuan dan Penjaga Keselamatan dated 31/04/2018, Latihan Kompetensi Pemanduan Traktor dated 16/05/2018, etc. -Contractor training record and plan will be verified in 2 <sup>nd</sup> stage Audit 4.4.6.2 as per 4.4.6.1 4.4.6.3 as per 4.4.6.1
<b>4.5 Environment, natural resources, biodiversity and ecosystem services</b>		
4.5.1 Environmental management plan	Y	4.5.1.1 -Polisi Alam Sekitar dated 01/04/2018 signed by Pengurus Eksekutif (En Mohd Sukri Bin Ismail)

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		-Verified Pelan Pengurusan Alam Sekitar & Pelan Pencegahan Pencemaran dated May 2018. -4.5.1.2 - Aspect impact of environment have been identified in Penilaian Impak Aspek Alam Sekitar for 2018. -4.5.1.3 as per 4.5.1.1 -4.5.1.4 refer Program OSHA & Environment 2018 has conducted for Latihan Mewujudkan Buffer Zone di Sungai on 31/03/2018.
4.5.2 Efficiency of energy use and use of renewable energy	Y	4.5.2.1 -Consumption of non-renewable energy record 2018 has been summarised in chart for year 2018 which included usage of diesel, water, and electric. estate has budget for diesel and electricity usage in Budget 2018 (Div 2). 4.5.2.2 as per 4.5.2.1 4.5.2.3 as per 4.5.2.1
4.5.3 Waste management and disposal	Y	4.5.3.1 - Pelan Pengurusan Sisa dated 01/04/2018 been identified (i.e. Sisa berjadual, sisa domestik, sisa industri), source of the waste, action plan and PIC have been stated in the plan as well. -Prosedur Kerja Selamat: Sisa Berjadual (YPJP-SOP-57) dated 05/04/2018 verified to handling SW. -Awareness on recycling has been plan as action plan for handling domestic waste.  4.5.3.2 as per 4.5.3.1 4.5.3.3 as per 4.5.3.1 4.5.3.4 as per 4.5.3.1 4.5.3.5 as per 4.5.3.1
4.5.4 Reduction of pollution and emission	Y	4.5.4.1 as per 4.5.1.2 4.5.4.2 -Zero burning has been complied for the replanting. Site visit will be verified during 2 <sup>nd</sup> stage Audit.
4.5.5 Natural water resource	Y	4.5.5.1 -Water monitoring usage has monitored and summarised in chart for year 2018. -Record of water sampling for river sent to Mahamurni Plantation Sdn Bhd laboratory (08/02/2018) for the sampling test. 4.5.5.2 to be verifeid during 2 <sup>nd</sup> stage. 4.5.5.3 to be verified during 2 <sup>nd</sup> stage.
4.5.6 Status of rare, threatened, or endangered species and high biodiversity value	Y	4.5.6.1 -Biodiversity Assessment not yet conducted. 4.5.6.2 as per 4.5.6.1
4.5.7 Zero burning pracrices	Y	-No burning is allowed as mention by management, refer in Pelan Pengurusan Alam Sekitar & Pelan Pencegahan Pencemaran on execution on zero burning. -Site will verified during 2 <sup>nd</sup> stage audit.
<b>4.6 Best Practices</b>		
4.6.1 Site management	Y	4.6.1.1 -SOP of best management practices. - YPJP-SOP-01 - YPJP-SOP-63 4.6.1.2 -Visual inspection will be verified during 2nd stage audit.
4.6.2 Economic and financial viability plan	Y	4.6.2.1 -Verified the Replanting program 2017 for 5 years.

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		-Verified Business management plan 2017-2021. 4.6.2.2 as per 4.6.2.1 4.6.2.3 as per 4.6.2.1 4.6.2.3 as per 4.6.2.1
4.6.3 Transparent and fair price dealing	Y	4.6.3.1 -Estate monthly account -Sales and purchase agreement not established due to estate and mill is under one company. - Advise to create new agreement with Mill regarding supply of FFB to mill (OBS). -Verified the payment record from Mill
4.6.4 Contractor	Y	4.6.4.1 -Contracts of new version for MSPO requirement -Record of briefing to contractors regarding MSPO requirement.
<b>4.7 Development of new planting</b>		
4.7.1 High biodiversity value		NA
4.7.2 Peat land		NA
4.7.3 Social and Environmental Impact assessment (SEIA)		NA
4.7.4 Soil and topographic information		NA
4.7.5 Planting on steep terrain, marginal and fragile soils		NA
4.7.6 Customary land		NA

### Observation for Improvement

Auditor	Observation
MH	4.1.2.3 - Internal audit not yet conducted, advised to conduct as per planned (OBS) 4.1.3 - MRM not yet conducted, Advised to conduct as per planned (OBS) 4.2.3.1 - Darft of Standard Operating Procedure (SOP) for Kebolehkesanan (traceability), YPJP-SOP-64 has been shown by consultant, not yet finalize. (OBS) 4.3.1.1 - As per valid license MPOB FFB, Nursery, deduction of employee salary from JTK, however for Ladang Alaf water extraction permit expired on 31/12/2017, permit of storing diesel and air compressor not yet received, the document of application has been verified.(OBS)
BH	4.4.1.1 - Social Impact Assesement not yet conducted, plan to conduct on 16th - 18th July 2018 as stated in 1st MSPO Progress Meeting Minutes (OBS). 4.6.3.1 - Sales and purchase agreement not established due to estate and mill is under one company, advise to create new agreement with Mill regarding supply of FFB to mill (OBS)

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



**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)**

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Badrul Hisham Hj Baharin (BH)	Hj Fauzahar Bin Hj Sail	Manager Alaf Estate
Team member	Abdul Kadir Bin Mohd Yasin	Manager Payamunis Estate
Mohamad Hafis B Mustafa	Mohd Idris Bin A Rahman	Manager YPJP Sedili
Trainee auditor	Mohd Aznawi Bin Samin	Manager YPJP Citra (Group Manager)
NIL	Mohd Nazri Bin Salikin	Assistant Manager Alaf Estate
Observer	Mohd Fikryazry Bin Mohd Room	Assistant Manager Alaf Estate
NIL	Mohd Izwan Bin Salim	Assistant Manager Alaf Estate
	Mohd Ariffudin Bin Kamasan	Assistant Manager Alaf Estate

**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	Badrul Hisham Hj Baharin	MOHD AZNAWI BIN MOHD SAMIN
Date	04/06/2018	04/06/2018
E-mail	badrul.hisham@cciglobal.com	
Fax No	03-8073 2688	

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	