



Assessment Report

Date: 25th Nov to 26th Nov

2018


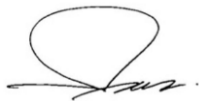
[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the MSPO standard and every criterion's have been in every effort

MSPO 253O:2013 Part 3

Company name	YPH PLANTATION SDN BHD 1. LADANG ALAF 2. LADANG PAYAMUNIS 3. LADANG YPJP SEDILI 4. LADANG WAWASAN PALOH
Address	KM 23, Jalan Kulai-Kota Tinggi, K.B 510, 81900 Kota Tinggi, Johor Darul Takzim
Report no	MS18MM018
Status of audit	Main Assessment If surveillance NA

Thank you for your trustful cooperation during our audit of your organization. This report has been prepared of every effort to ensure the accuracy of the information recorded. The assessment is based on sampling on the records, practice, documents and personnel, therefore the final results of the assessment is of representative towards the system implementation of the organization. This report may generated to record as much of the system implementation information but may still limited due to the sampling .This report details the assessment results including strengths, opportunities, and weaknesses. These results were presented to your management at the closing meeting of the audit. You can use these results to improve the effectiveness of your management system. We look forward to continuing our partnership towards sustainable business success. This report has been prepared in compliance to the ISO 17021:2011 requirements.

To ensure the next assessment will be carry out in compliance to the ISO 17021:2011, please remember to immediately notify CARE Certification International about any significant change to your company at any point of time. Together we will then coordinate appropriate measures to maintain your current certification. Such circumstances include, for example, changes relating to the legal, commercial, organizational status or ownership, organization and management (e.g. key managerial, decision making or technical staff), contact address and sites, scope of operations under the certified management system, and major changes to the management system and processes. Together we CARE and will then ensure the smoothness of the upcoming assessment. Thank you for your persistence of support.

	Signed for on behalf of CCI	Signed for on behalf of client
Sign		 Name: MOHD AZNAWI BIN MOHD SAMIN Designation: YPJP MSPO GROUP MANAGER NRIC: 710615-01-6057
Name	Mohamad Zulkefli Bin Md Isa	Company stamp YPJ PLANTATIONS SDN. BHD (252373V)
Date	25-26/11/2018	
Email	admin@cciglobe.com	
Fax no	038073 2688	

Section A General Information

General	
Audit objectives	<input checked="" type="checkbox"/> To verify that the system initial implementation is in accordance to requirements of the standard adopted. <input type="checkbox"/> To verify that the system implementation is continuously in accordance to the requirements of the standards adopted. <input type="checkbox"/> To verify that the system implementation is continuously after and in third years of implementation is in accordance to the standards adopted. <input type="checkbox"/> Other, (please specify)
Integrate Assessment	No
Issue of certificate	Yes

Scope of Certification	
Scope of certification in English	The Provision of Planting and Harvesting of Fresh Fruit Bunch (FFB) By Organised Plantation
Requirement not being applicable	P7 - Development of New Planting
Justification	The company doesn't have any new planting activities.
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA

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
Fixed Line Number	+6078976586
NO OF SPOC/ GROUP MEMBERS	3

Section B Previous Audit Result

The result of the last audit system have been reviewed, in particular to ensure appropriate correction and corrective action has been implemented to address any nonconformities identified. This review has concluded that:

<input type="checkbox"/>	No nonconformities have been raised during last assessment.
<input type="checkbox"/>	Any nonconformities identified during last previous audit have been corrected and the corrective action continuous to be effective.
<input type="checkbox"/>	The management system has not adequately addressed non conformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report.

Section C Conclusion

The audit team conducted a process based audit focusing on significant aspects/risk objectives required by the standard(s). The audit methodology used is based on 3P which were People, Paper and Practice.

The audit team concludes and express

- ☐ CONGRATULATION and has
- ☒ CONGRATULATION however some processes need to address non-compliance(s) but others has
- ☐ SORRY and the organization has not established and maintained its management system in line with the requirements of the standard and

- ☒ demonstrated
- ☐ not demonstrated

the ability of the system to systematically achieved agreed requirements within the scope of the organizations.

Base on the record, there is/are NIL unresolved issue.

Therefore the audit team recommends that based on the results of this audit and the system's demonstrated state of development and maturity, management system certification be:

- ☐ Granted (initial certification or recertification)
- ☒ Granted upon the acceptance of the noncompliance(s)
- ☐ Continued (surveillance)
- ☐ Continued (surveillance) upon the acceptance of the noncompliance(s)
- ☐ Withheld
- ☐ suspend until satisfactory corrective action(s) is completed
- ☐ Others (please specify)

Note :

The assessment and recommendation for the initial or continue 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.

Section D (For Recertification only)

1	The company has demonstrated effective implementation and maintenance/improvement on its management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	The internal audit program has been fully implemented and demonstrates its effectiveness as a tool for maintaining and improving the management system.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	Throughout the audit process, the management system demonstrates overall conformance with	<input type="checkbox"/> Yes <input type="checkbox"/> No

	the requirements of the audit standard	
--	----------------------------------------	--

Section E Auditor and Auditees Names

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Mohamad Zulkefli Md Isa (ZU)	Hj Fauzahar Bin Hj Sail	Manager Alaf Estate
Team member	Abdul Kadir Bin Mohd Yasin	Manager Payamunis Estate
Badrul Hisham Hj Baharin (BH)	Mohd Idris Bin A Rahman	Manager YPJP Sedili
Mohamad Hafizuddin (HF)	Mohd Aznawi Bin Samin	Manager YPJP Citra (Group Manager)
Mohamad Hafis (MH)		
Trainee auditor	Mohd Nazri Bin Salikin	Assistant Manager Alaf Estate
NIL	Mohd Fikryazry Bin Mohd Room	Assistant Manager Alaf Estate
Observer	Mohd Izwan Bin Salim	Assistant Manager Alaf Estate
Nik Mohd Syazwan bin Nik Mohd Zamri	Mohd Ariffudin Bin Kamasa	Assistant Manager Alaf Estate
Hafanizam bin Hassan		

Section F Audit Process Matrix

Next Audit Matrix (legend "☒" plan to cover & covered, "☐" for uncover)

Planned month & year	11/2018	09/2019	09/2020	09/2021	09/2022
Internal Audits	☒	☒	☒	☒	☒
Stakeholder consultation / survey	☒	☒	☒	☒	☒
Use of logo	☒	☒	☒	☒	☒
Follow-up from previous audit finding	☒	☒	☒	☒	☒
4.1 Management Commitment & Responsibility					
4.1.1 MSPO Policy	☒	☒	☒	☒	☒
4.1.2 Internal audit	☒	☒	☒	☒	☒
4.1.3 Management Review	☒	☒	☒	☒	☒
4.1.4 Continual Improvement	☒	☒	☒	☒	☒
4.2 Transparency					
4.2.1 Transparency of information and documents relevant to MSPO requirements	☒	☒	☒	☒	☒
4.2.2 Transparent method of communication and consultation	☒	☒	☒	☒	☒
4.2.3 Traceability	☒	☒	☒	☒	☒
4.3 Compliance to legal requirements					
4.3.1 Regulatory requirements	☒	☒	☒	☒	☒

4.3.2 Land use rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.3.3 Customary rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4 Social responsibility, health, safety and employment condition					
4.4.1 Social impact assessment (SIA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.2 Complaints and grievances	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.3 Commitment to contribute to local sustainable development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.4 Employees safety and health	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.5 Employment conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.6 Training and competency	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5 Environment, natural resources, biodiversity and ecosystem services					
4.5.1 Environmental management plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.2 Efficiency of energy use and use of renewable energy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.3 Waste management and disposal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.4 Reduction of pollution and emission	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.5 Natural water resources					
4.5.6 Status of rare, threatened, or endangered species and high biodiversity value area	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.7 Zero burning practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6 Best Practices					
4.6.1 Site management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.2 Economic and financial viability plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.3 Transparent and fair price dealing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.4 Contractor					
4.7 Development of new planting					
4.7.1 High biodiversity value	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.2 Peat land	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.3 Social and Environmental Impact Assessment (SEIA)	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.4 Soil and topographic information	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.5 Planting on steep terrain, marginal and fragile soils	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.6 Customary land	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assessment man days for the next assessment : 6_md. Recertification: 2023

Note: Recertification should be carry out minimum 2 months prior to the expiry of the certificate

Section G Audit Summary

Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY	
Auditor	Date	Time
ZU	25-26/11/2018	8.30
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;
- 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.

Closing Meeting

- a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty
- b) the method and timeframe of reporting, including any grading of audit findings;
- c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;
- d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;
- e) the certification body's post audit activities;
- f) information about the complaint handling and appeal processes.
- g) Any diverging opinion that are not resolved.
- h) opportunity for the client to ask questions.

Executive Summary

The audit was based on the MSPO2503:2013 Part 3 Standard, procedure and applicable requirements. There is no issue during the 1st Stage Audit conducted on 4/6/2018 and found all the required document, procedure and form are available.

The audit are planned follow the audit plan which consist of documentation review and site visit which total days of audit is 3 days. Total mandays for audit at YPJ Group 1 was 8 mandays. meanwhile the stakeholders consultation was held with 1 mandays. For YPJ Group 1 consist of 3 estate as per below :

- i. Ladang Alaf
- ii. Ladang Payamunis
- iii. Ladang YPJP Sedili

The audit was lead by Mr Mohamad Zulkefli who are have almost 8 years in the sustainable certification and other management system certification such as RSPO, ISCC, ISO 14001, ISO9001 etc and also attended the MSPO Lead Assessor Course conducted by SIRIM. The Co auditor :

1. Mohamad Zulkefli bin Md Isa as Head of Auditor for Law Aspects, Biodiversity Conservation, Social Aspect, Employee Welfare, etc.
2. Mohamad Hafis Bin Mustafa as an Auditor for the Occupational Safety and Health Aspects, Environmental Aspects etc.
3. Mohammad Hafizuddin bin Rossley as Auditor for Good Practice in Plantation Management and Palm Oil Mill and New Planting Plantation.
4. Badrul Hisham bin Baharin as Auditor for Good Practice in Plantation Management and Palm Oil Mill and New Planting Plantation.

The Stakeholder consultation was conducted by Mr. Badrul Hisham.

From the audit, there are few finding been raised in the audit with total 5 CAR, 11 OBS, 2 OFI. The issues raised were been disucssed with YPJ management team during closing meeting on 26/11/2018.

Audit Summary

Principle 1: Management Commitment & Responsibility

Sighted that YPJ Plantation Sdn Bhd had established 3 policy which cover all sustainability element. The policy been established on 1st April 2018 signed by Executive Director, Mohd Sukri Bin Ismail. The policy established as per below :

- i. Polisi Kemampanan which consist element of :- a), socio Impact economy, human rights, , equal right, sexual harrasment etc
- ii. Polisi Alam Sekitar - cover all aspect for environmental management
- iii. Polisi Keselamatan dan Kesihatan Pekerja

Verified the policy had been display in office wall, row call area, line site etc. Verified the policy had been brief to all employee during row call.

Sighted the internal audit plan were established by lead internal auditor, Mr Idris dated on 21/8/2018.

Sighted inside the internal audit plan covers for all estates and mills. Verified the estates had received the audit plan, sighted stamped "received" of audit plan dated on 21/8/2018. Sighted in the summary of findings show the estates had 5 NC and 27 OFI. Verified the NC ahd been closed and the evidence of CAR to closed the issued dated on 1/11/2017. The issues raised been discussed in the Management Review Meeting on 30/10/2018 attended by General Manager, Manager, Internal Auditor Team and consultant.

Principle 2: Transparency

Generally, YPJ communicate the information with stakeholders and public through meeting with stakeholders conducted on 12/11/2018. The estates management annually organize get together with local communities as part of promoting MSPO requirements as per MSPO requirement interpreted in Procedure of communication which were divided into two category external and internal. For internal normally the interaction between employee and employer through writing letter, notice or verbal. For external communication one of channel way through website "www.ypp.com" and company Facebook account (YPJ plantations). All the information regarding company activities can be review by external parties such as stakeholder and society through website. etc : brochure, bulletin, banner, programmes CSR.

Traceability:

Ladang Alaf, Ladang Payamunis, Ladang YPJP Sedili

Sighted the FFB production traceability started from the field collection of FFB checking by the accessor on quality and quantity of the FFB (Chekrol harvester record, FFB CHit, , Harvesting interval record, daily harvesting record, Quality inspection record), Deliver FFB to the mill (weighbridge ticket) and receive FFB at the mill, receive (Weighbridge Ticket, Quality Check assement report). The traceability information been updated inside the company adoption system (pinfosys).

Principle 3: Compliance to legal requirements

Legal Compliance:

YPJ showed the compliances with the legal with an evidence of valid MPOB License, land title' quit rent, diesel storage and other required license for the plantation operation.

YPJ has established list of legal requirement register. Noted that 100% compliance on the evaluation. All the requirements evaluated at twice a year as per listed legal which been reviewed by appointed person for the responsible person of legal requirement officer. Boundary markers with neighbor estates was done via road, trenches and rivers. Boundary with external party coordinates can be found in survey land maps. Land titles and lease documents were available during assessment.

Land Use Right:

1 - Ladang Alaf

Land title available:

No : HSD 7742

Lot: PTD 3668

Hectarage: 3081.28 Ha
Ownership: YPJ Oil Palm Estate Sdn Bhd
Term: Palm oil only
Lease valid till 07/12/2086

No : HSD 7743
Lot: PTD 3668 A
Hectarage: 93.0778 Ha
Ownership: YPJ Oil Palm Estate Sdn Bhd
Term: Palm oil only
Lease valid till 07/12/2086

2 - Ladang Payamunis
Estate area is 2909.66Ha . Land titles and lease documents were available during assessment.
Land Lease title-available
Land lease documents-available
No land status change

There is 2 grant which the clear terms is for planting oil palm. Below are the details of the grant:

i. No HSD ; 3372
- PTD no : 12195
Total area : 1431.435ha
period of lease : 99 years - period ends on 18/2/2100.

ii. No HSD : 3882
- PTD no : 1915
- Total area : 1478.231 ha
- period of lease : 99 years - period ends on 2/7/2101.

3 - Ladang YPJP Sedili
No HSD: 19890
PTD no: PTD821
Syarat: Palm oil
Lease till 27/05/2102
Ownership: Permodalan Darul Ta'zim Sdn Bhd

Verified the document "Sale and Purchase Agreement" between Permodalan Darul Tazim Sdn Bhd and YPJ Plantation Sdn Bhd dated 22/12/2016. The agreement is signed by both parties YPJ (Director - Zainudin B Othman) & PDT (Chief Executive - Lukman Bin Abu Bakar)

Noted the Sedili Estate are subsidiaries of YPJ, thus the document "Power of Attorney" between YPJ Plantation sdn bhd and YPJP Sedili Sdn Bhd available dated 01/01/2017. The agreement is signed by YPJ Plantation Sdn Bhd Director (Mohd Sukri Bin Ismail), Director (Zainudin B Othman) & authentication of power of attorney from Advocates & solicitors #BC/M/202 (Mohd Baharudin B Ahmad - company Baharudin, Wan & Kuna)

For all estate sample, an official map from Land Survey for recognized customary rights is made available for reference.

Boundary stone available and visible during site observation. The management establish map close up

boundary location.

Principle 4: Social responsibility, health, safety and employment condition

1) Social

Social Impact Assessment (SIA) report for YPJ Plantation Sdn Bhd available, dated of assessment on 14-15 & 21-22 July 2018 by consultant.

Sighted the positive practise found during assessment such Management emphasis strongly on safety & health culture in workplace, worker & management share a good relationship & etc. Also, a negative finding such workers raised issue on security deposit prior departure to home country is high, worker request company to incur the expenses to seek medial treatment/outpatient treatment & etc.

Verified the Social Management Plan available dated 02/11/2018 to mitigate the negative impact issues raised during SIA and other current social problem such 1. subject: Deduction of levy permit, Action: Stop the deduction - completed, 2. Request for bonus by AP, Action: Management to refer MPOA Security sdn bhd - in progress.

Sighted the Contribution of YPJ toward local communities were recorded such:

Ladang Alaf

Verified the Record Of CSR Plan Activities for year 2018 and listed CSR as below:

- a) Donation for Program Kecemerlangan Sekolah Year 2018 #JBA3014/700-1/2/1(1) dated 25/10/2018 - contribution RM150
- b) Donation Lawatan Sambil Belajar #SAKNJ.KT.07019/111 dated 29/10/2018 - contribution RM200

Ladang Sedili

- a) Sek. Keb. Felcra Sungai Ara dated 24/01/2018 contribute donation RM300
- b) Gotong-Royong activity at Sek. Keb Felcra Sg. Ara.

2) Health & Safety

Policy was established and approved by the Executive Director, Mr Mohd Sukri bin Ismail dated 01/04/2018

Communication of the policy sighted done by display at the notice board, briefing during tool box meeting and explain the policy to the stakeholder during the stakeholder meeting. During opening meeting safety policy been brief by include the policy into the slide presentation. HIRARC for estate operation such as Harvesting, loading FFB, spraying, manuring etc was established in order to assess the risk of the estates operation. Sighted YPJ established the Safety Training Programme and listed training for Fire Drill Training, Harvester and Prunning, spraying techniques etc. Verified the HIRARC and required PPE such as hand glove, ear plug, safety shoe, safety helmet etc. Noted the CHRA report was available at all estate. Sighted YPJP establish the emergency response for fire, chemical spillage, accident ect as below:

- a) Pelan Tindakan Keracunan Bahan Kimia
- b) Pelan Tindakan Kecemasan Tumpahan Disel
- c) Pelan Tindakan Kecemasan Tumpahan Bahan Kimia
- d) Pelan Tindakan Kecemasan Kebakaran

YPJ has established Prosedur Kerja Selamat: Urus Kimia (YPJP-SOP-56) and sighted the content of the prosedur is purchasing of the chemical, issuance, storage, handling and disposal.

Verified the CHRA Report (Report# CHRA/0616/003/ALAF dated assessment 08-23/06/2016) and sighted all all practise of chemical handling are as per CHRA recommendation.

CAR01:

Ladang Sedili - (h) Noted incident happen to Mr Abdullah as fell down from MB on 10/10/2018 with MC 1 day, no evidence was sighted for the the internal investigation was done by the OSH Committee.

Ladang Alaf - (h) Interview workers and sighted workers are not respond on the emergency that will happen at the field advise management to conduct emergency drill in order to ensure employee are aware and response fast if any incident happen.

3) Employee condition

Sighted management establish the MSPO policy, has mention on 'Menghormati Hak-hak Pekerja', dated 01/04/2018 approved by Executive Director, Mohd Sukri Bin Ismail and communication of the policy sighted done by display at the notice board, briefing during tool box meeting and explain the policy to the stakeholder during the stakeholder meeting. Refer to Polisi Sosial and hak Asasi Manusia mentioned no discrimination and provide equal opportunity regardless of race, colour, sex, nationality etc. The company seek to maintain a workplace free from discrimination. Verified the employee payslip and found the calculation of the OT and basic salary was comply with the minimum standards with sufficient employee contract agreement. Site visit at the workers quarter and found all the basic amenities and facilities was provided sufficiently such as electricity and fresh water.

CAR02:

Ladang Sedili - Mohamad Zaki bin Zakaria, refer to attendance list, mandays working is 27 days, however in the payslip the mandays working is 25 days and the wages are RM961.50, below the Minimum Wages Order 2016.

4) Training & Competency

Noted training plan with total 18 program planned for year 2018 included the target participant such: 1. Competency of tractor driving, target person Tractor driver, 2. Spraying techniques target person worker, 3. Fire extinguisher training, target person workers.

Principle 5:Environment, natural resources, biodiversity and ecosystem services

Sighted Policy " Polisi Alam Sekitar" dated 01/04/2018 signed by Executive Director En Mohd Sukri Bin Ismail.. Communication of the policy sighted done by display at the notice board, briefing during tool box meeting and explain the policy to the stakeholder during the stakeholder meeting. Sighted YPJ establish Environmental Management Plan and planned improvement for scheduled waste handling, conservation of water & buffer zone, conservation of Biodiversity Population and domestic Waste Management. Sighted YPJ establish the Environmental Aspect and Impact Identification and identified the aspect & impact of estate operation to the environment. Noted YPJ established the comprehensive assessment report of water usage as per Water Management Plan, unrenewable energy eg Usage of electricity been recorded monthly for monitoring purpose, Diesel Usage for vehicle use eg:- Tractor. The HCV assessment were done by third party SRZ Consultancy in August 2018. Verified there is no open burning practices sighted during the audit. For previous replant the crop were chipping and shredded as per Agriculture Reference Manual under doc no : YPJP-PLT-REP-02.

CAR03:

Ladang Payamunis - Sighted during site vist at the landfill area (Location Block P00D/4 B1) there is trapping water inside the dumping hole and seen there is drainage channel to flow out the leachate which contributing to the land pollution.

CAR04:

Ladang YPJP Sedili - b) Water sampling taken for fresh water in year 2018 which not follow the Procedure Pemantuan Air Di Sungai Atau Aliran #YPJP-SOP-44 dated 04/05/2018

CAR05:

Ladang YPJP Sedili - Refer to auditee, the action such install electric fencing, maintain trenches, shooting to the air & etc, however, sighted no management plan for Indicator 1 especially for the Elephant which may caused the risk toward employees or elephant

Principle 6: Best practices

YPJ has developed SOPs documents on estates operation including harvesting, spraying, manuring etc. as per "Agriculture manual". Sighted the covers crops planted at the replanting area. The land 100% flat. Sighted the field drain, collection drain and main drain was properly constructed to make sure the water flows are moving in good condition.

Estate had an annual budget for the financial year 2018. The budget includes the projected FFB production, general charges, upkeep & cultivation, Collection and Immature areas. Sighted the 5 years' business plan for the Estate. Verified the estate management were monitor the progress of performance by established the monthly progress report.

Sighted all contract activities such as FFB Transport, EFB Transport, Spraying mucuna, replanting works, Hiring JCB, Hiring excavator. etc. During site visit at the ramp no obligation from the contractor for the auditor to verified the work. Found all the criteria which is applicable to their work for MSPO requirement are followed.

All the record of contract agreement were properly documented. All works performed at the estates are checked and verified by the estates personnel. Verified as at current the contract work for year 2018 is FFB transport. The work were monitor through dispatch chit and weighbridge ticket versus total claim report made by the contractor. Verified the claim form made by contractor were verified by the estate manager.

Principle 7

This clause is not applicable due to there be no new planting activities by the management.

As a conclusion the estate management had fulfill almost the MSPO requirement including documentation and practice however few finding had been highlighted and need to be close. Total observation been raise is 11 while 5 NC finding were issued for this period of assessment.

Stakeholder Consultation

1. Syukri – Representative (Ladang Felcra Sg Ara)
Good contribution from YPJ management such contribution of manpower for activities such gotong royong, maintenance program, borrowing backhoe and etc. Also YPJ has sent a football team for our training friendly game. As todote, no complaint or issues been raised.
2. Rafidah – Teacher (School near Ladang Payamunis)
More than 10 pupils were came from Payamunis estate, can see estate provide transportation for return travelling from house to school for the pupils safety. So far, parent of the pupil has shown committed toward learning process of their child. Verified no accident were happened till todote. Also, Payamunis estate has given a lot of contribution for school programme.
3. Safri mohd ali – Teacher (Agama School Sg Ara)
YPJP Sedili estate has gave a good contribution in cash and services such manpower for general work and landscaping work. Manager of Sedili Estate was also a welfare chairman for the school. So far, no complaint

was raised.

4. Gan Lian Soon – Representative (Hardware supplier)

So far no problem regarding payment, cooperation with management and any correspondence was response in time.

5. Asri Ahmad – Representative (Risda ulu sedili Estate)

Good contribution from YPJ management such contribution of manpower for activities such gotong royong, maintenance program, borrowing backhoe and etc. Environmental and social from YPJ was good, no issues was created by YPJ employees to neighbour area. YPJ also has share an idea regarding cater and management of the elephant into the estate area.

6. Jumaat bin Saadon – Contractor (Wawasan Estate)

As a contractor for FFB transportation, manuring & spraying work. So far, no issues toward YPJ management and employees where they have gave full commitment while doing a task together.

7. Uztaz Azian – Representative (Tai Tak Estate)

No complaint toward YPJ management and employees, as so far the cooperation given by YPJ has shown the positive impact such discussion on MSPO compliance, operation work & other matter.

8. Erwan - Coperal (Balai Polis Bukit Beso)

No major cases create from the YPJ employees and management. Police usually patrolling into the YPJ area and found the peace environment and saw the cooperation within the estate employees and management itself. Any assistance will be given with full commitment with the police management.

9. Sazali – Contractor (FFB Transporation)

10. The contractor' employees stayed in the estate housing quarters. As todate, no social issues raised in the estate area especially in the housing area. No complaint are raised so far.

11. Khalib – Manager (Felcra sg ara)

As so far, social and contribution from YPJ are higher from other neighbour estate. Any religion program will be supported by YPJ management. Elephant trespassing to Felcra area also been assistance by YPJ management.

Estates Information

LIST OF GROUP MEMBERS

1. ESTATE INFORMATION

NAME OF ESTATE	LOCATION	COORDINATE
Ladang Alaf	PTD3668, Ulu Sungai Johor, Kota Tinggi, Johor.	11° 43' 00" U 103° 46' 17" T
Ladang Payamunis	PTD 12195/1915, Mersing, Johor	2° 24' 6.685' U 103° 43' 2.017" T
Ladang Ypjp Sedili	PTD 821, Hulu Sungai Sedili Besar, Kota Tinggi, Johor.	2° 1' 7" U 103° 51' 7" T

2. AREA STATEMENT AND FFB FORECAST

ESTATE	TOTAL AREA (HA)	PLANTED AREA (HA)	FFB TON/ YEAR (as per year 17)	YIELD TON/ YEAR
Ladang Alaf	3175.00ha	3045.59ha	45,822.40	15
Ladang Payamunis	3008.00ha	2816.18ha	28,023.61	10
Ladang YPJP Sedili	995.53ha	942.80	16,973.14	18
TOTAL	7,178.53	6,804.57	90,819.15	13.35

P1: Management Commitment & Responsibility

Criterion 1	Malaysian Sustainable Palm Oil (MSPO) Policy	
Indicator	Requirement	Findings
4.1.1.1	A policy for the implementation of MSPO shall be established	
<p>Ladang Alaf</p> <p>Sighted that YPJ Plantation Sdn Bhd had established 3 policy which cover all sustainability element. The policy been established on 1st Aprill 2018 signed by Exrecutive Director, Mohd Sukri Bin Ismail. The policy established as per below :</p> <p>i. Polisi Kemampanan which consist element of :- a), socio Impact economy, human rights, , equal right, sexual harrassment etc</p> <p>ii. Polisi Alam Sekitar - cover all aspect for environmental management</p> <p>iii. Polisi Keselamatan dan Kesihatan Pekerja</p> <p>Verified the policy had been display in office wall, row call area, line site etc. Verified the policy had been breif to all employee during row call.</p>		
4.1.1.2	The policy shall also emphasize commitment to continual improvement.	
<p>Ladang Alaf</p> <p>Sighted the policy established had shown emphasize towards commitment for continual improvement in esure susustainability.</p>		
Criterion 2	Internal Audit	
Indicator	Requirement	Findings
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	
<p>Ladang Alaf, Ladang Payamunis, Ladang YPJP Sedili</p> <p>Sighted the internal audit plan were established by lead internal auditor, Mr Idris dated on 21/8/2018. Sighted inside the internal audit plan covers for all estates and mills. Verified the estates had received the audit plan, sighted stamped "received" of audit plan dated on 21/8/2018. The notification of audit plan were email to respective estates date on 23/8/2018.</p>		
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action	

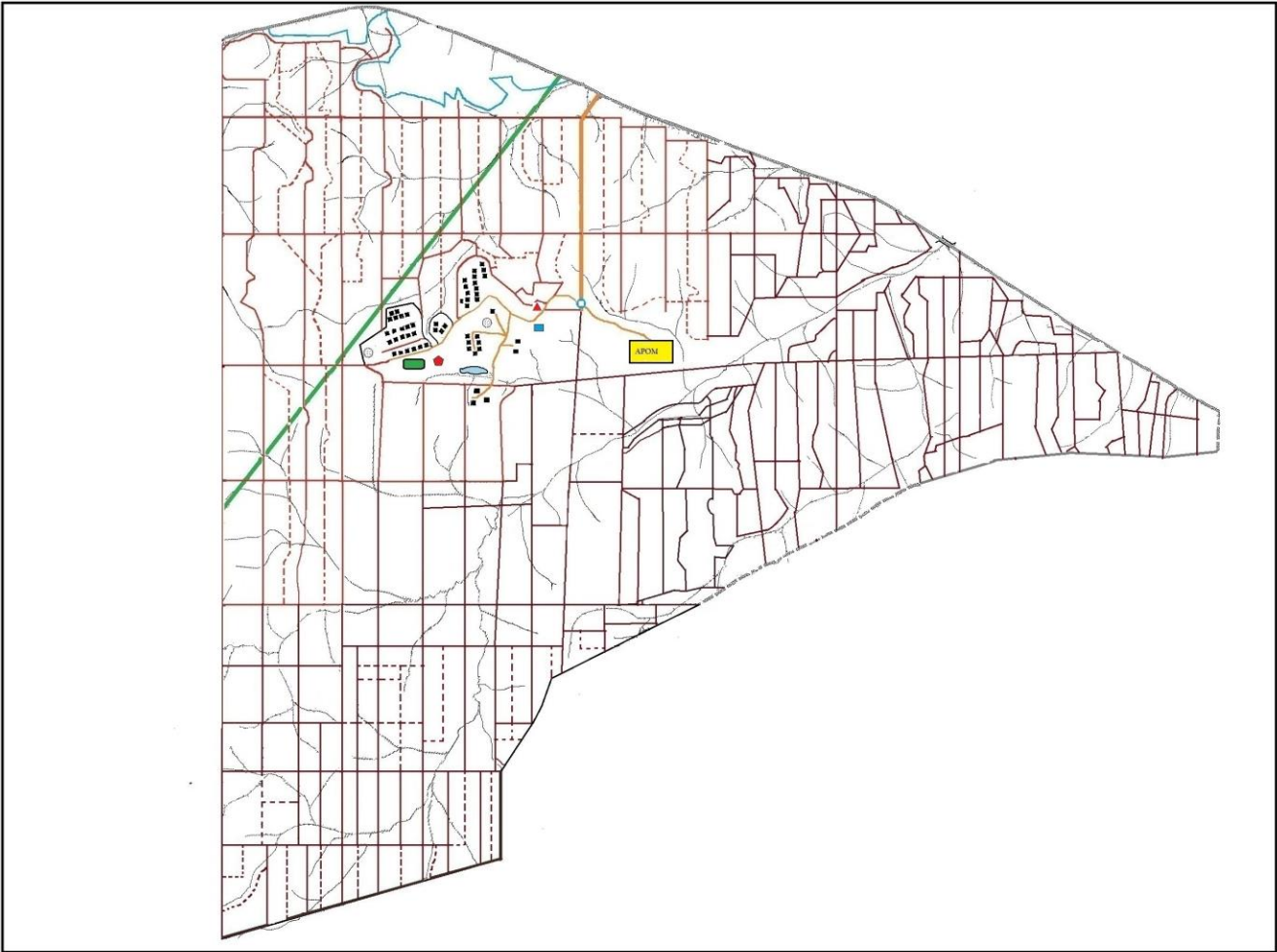
APPENDIX 1

MAP OF ESTATE FOR LADANG ALAF

LADANG ALAF
TOTAL AREA : 3,174.35 HA

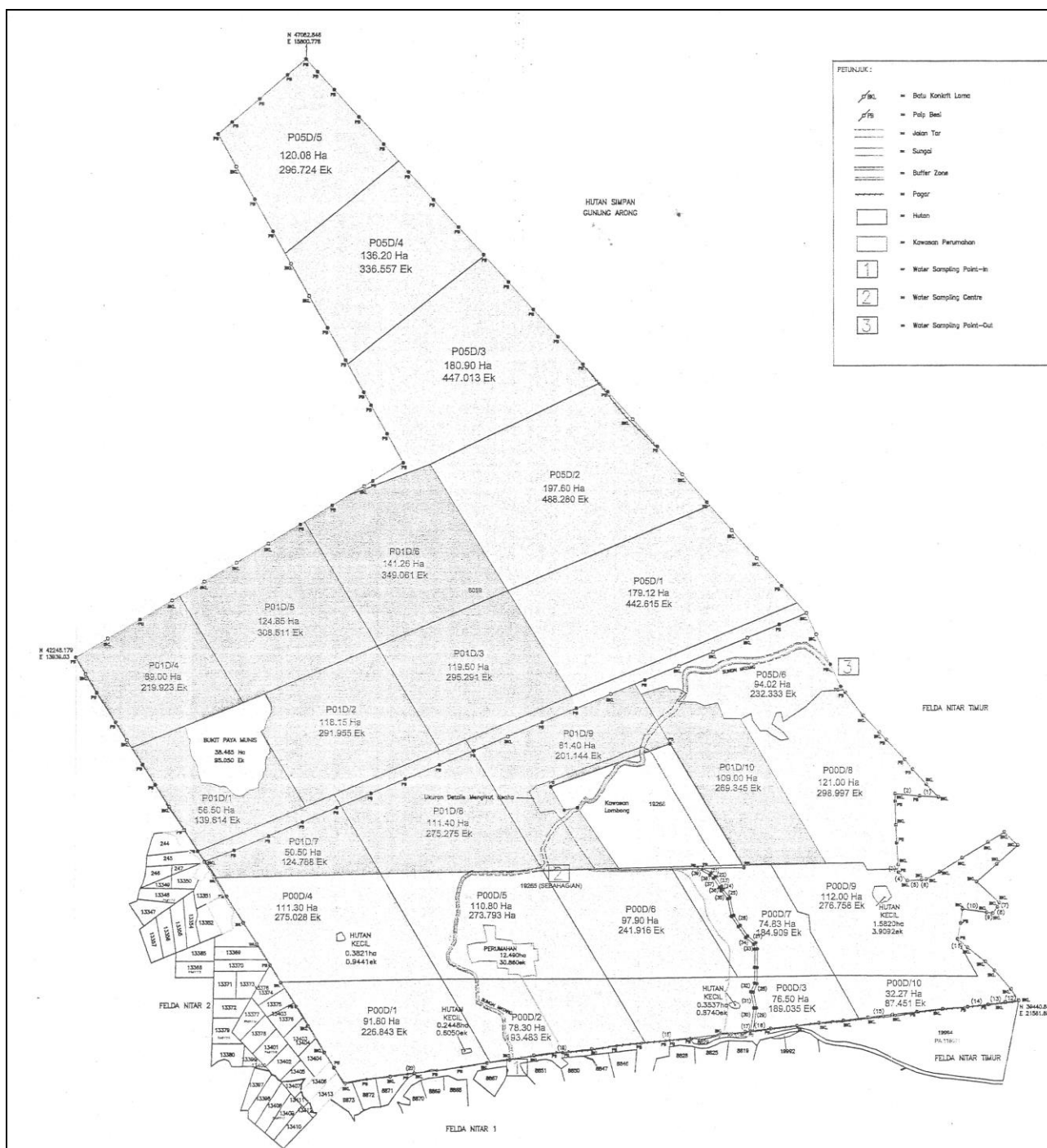
LEGEND

JALAN UTAMA	KILANG SAWIT
JALAN TENGAH	BULATAN
SUNGAI	PERUMAHAN
JALAN BERTURAP	PAIP AIR SAJ
MASJID	
PADANG	
KOLAM AIR	
TANGKI AIR	
RUMAH KELAB	
PEJABAT	



CCI-QP-07-07A

MAP OF ESTATE FOR LADANG PAYAMUNIS



APPENDIX 3

MAP OF ESTATE FOR LADANG YPJ SEDILI

