



Project no: 030-2019
Main Assessment:

MALAYSIAN SUSTAINABLE PALM OIL
FINAL REPORT
MAIN ASSESSMENT

Malaysia Yu Yee Plantation Sdn Bhd 2019
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Report review by:	Syarmilah Binti Mohammed Noor Razak	(Reviewer)
Certification decision by:	Norsyahidah Binti Manaf	(Certifier)
Certifying Office		
Trans Certification International Sdn Bhd(TCI) B52, Tingkat 1, Jalan IM3/10, Bandar Indera Mahkota, 25200 Kuantan, Pahang		



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PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT

1.1 Company and Contact Details

Company Name:	Yu Yee Plantations Sdn Bhd
Business Address:	Office: Wisma B. K. Ngiam, No. 1734, Jalan Besar, 42200 Kapar, Selangor. Estate: Batu 74 Jalan Kuantan/Jerantut, Sg Jerik Pahang
Contact Person:	Mr Goh Yew Keat
Office Telephone:	019-9306123
E-Mail:	yuyeeplantations@gmail.com
Web Site:	-
Other Certifications Held:	Nil

1.2 Certification Details

Registered Client Name:	Yu Yee Plantations Sdn Bhd
Certificate Number:	TCI-MSPO-03-0302019
Start Date Of Certificate:	02.04.2020
End Date Of Certificate:	01.04.2025
Date Of Original Certification:	02.04.2020
Scope:	Production of Sustainable Fresh Fruit Bunch(FFB)
Type Of Certification:	Part 3
Duration Of Certificate:	5 Years from date of certification

1.3 Assessment Details

Dates Of This Audit:	22.11.2019 – 23.11.2019
Audit Number:	030-2019-MA

1.4 Assessment Type

This is a Malaysian Sustainable Palm Oil Compliance assessment of the Group manager and its respective members as listed in this report below.

1.5 Location of the Certification Unit

Name Certification Unit	Location	Total Area(Ha)	Total organize Smallholder
Yu Yee Plantations Sdn Bhd	Lot 2492, 4680, 4681 Mukim Chenor, 26400 Maran, Pahang	236	N/A
Yuseng Plantations Sdn Bhd	Batu 64, Jalan Kuantan Jerantut, Sungai Jerik, 27080 Maran, Pahang	101	N/A
	TOTAL	337	N/A

1.6 Calculation of the Number of Production Units (N) to Sample for the Organize smallholder

$N = \sqrt{Y}$, where “Y” is the number of units, with the result always to be rounded “up” to the next whole integer will multiply risk factor Where only a sample of the supply base is assessed, units not previously assessed, or assessed earlier in the certification program, are to be preferred over those more recently assessed

For the Mill, how many units make up the production base?

Owned estates (Y)	$N = \sqrt{Y}$	Risk Factor	$N = \sqrt{Y} \times 1$
2	2	1	2

Explanation as to the selection of estates sampled

Sample 2019

Unit No	Site	Address	Total Area(ha)
1	Yu Yee Plantations Sdn Bhd	Lot 2492, 4680, 4681 Mukim Chenor, 26400 Maran, Pahang	236
2	Yuseng Plantations Sdn Bhd	Batu 64, Jalan Kuantan Jerantut, Sungai Jerik, 27080 Maran, Pahang	101

Sampling process - Calculation

Number of Estate – 2 Estates

Calculation

$\sqrt{2} = 2$

= 2 x Risk Factor (2 x 1)

= **2 sample for 2019**

PART 2: AUDIT PROCESS

2.1 About the Certification Body

TRANS CERTIFICATION INTERNATIONAL SDN BHD

No. B52, TINGKAT 1,

JALAN IM3/10, BANDAR INDERA MAHKOTA,

25200, KUANTAN, PAHANG

TEL: 09-5751333

<https://transcert.com.my/>

Trans Certification International Sdn Bhd (TCI) is establishing on 2017 and mainly provider sustainable, quality management, product certification. Since 2015 we are actively doing auditing on behalf of few certification bodies.

Our people are specializing in various sector and have experience to provide training, consultancy specialize in Sustainable practice and Supply chain certification services, especially for Palm Oil Industries.

2.2 Audit Team

Lead auditor:	MOHD RIZAL KASSIM (Law & Regulations, Social , Safety and Health Issues & Environmental & Biodiversity)
Team member 1:	MOHD JOHARI BIN MD KASSIM (Best Practices, & Transparency & Traceability)

2.2.1 Qualifications of the Lead Auditor	
Requirement	Qualifications
Post-secondary education, college or university diploma/degree in one of the following i. Agriculture; ii. Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii. Engineering, Process Technology; iv. Energy Management, Quality Management; v. Social Sciences and/or Anthropology; vi. Business Management; or vii. Other relevant related fields	Graduate qualification in Forestry with 5 years working experience in manufacturing and forestry.
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	More than 5years working experience in manufacturing and forestry. Involved in RSPO auditing since July 2012. Fully trained in similar agriculture certification programmers such as RSPO SCCS, ISCC,INS
Attended the MS 2530 series of standards training or other auditor competency trainings endorsed by MPOCC or MPOB (pre 2016).	Involved in RSPO assessment since July 2012. Member of TCI MSPO audit team. Involved in audits conducted in Malaysia and Indonesia and Ghana
ii) shall have undergone 40 hours of accredited lead auditor course either in Quality Management Systems (QMS) or Environmental Management Systems (EMS) or Occupational, Health and Safety Management Systems (OSH).	Completed ISO 9001:2008 lead auditor course in January
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years	Involved in RSPO assessment since July 2012. Member of TCI MSPO audit team. Involved in audits conducted in Malaysia and Indonesia and Ghana. Conducted MSPO Lead Auditor since 2017.
MSPO endorsed lead auditors course.	Complete and Pass in 2013
Signed code of conduct.	Yes
General knowledge of:	
• MSPO standards.	Yes
• TCI organizational structure.	Yes
• TCI quality systems.	Yes
• Lead auditor role.	Yes
• Report writing.	Yes
• Stakeholder consultation.	Yes
• Certification decision process.	Yes
• CV available.	Upon request

2.2.2 Qualifications of the Assessment Team		
MSPO Requirement	Team Member Name	Qualifications
Education		
<p>Post-Secondary education: At least ten (10) years of work experience in the oil palm sector or related fields such as social, health, safety and environment.</p> <p>Tertiary education: At least three (3) years of work experience in the oil palm sector or related fields such as social, health, safety and environment.</p>	MOHD JOHARI KASSIM	Post graduate qualification in Biology with 10 years working experience as at the Estate and Others Industry. Fully trained in similar agriculture certification programs MSPO, ISCC and etc. Able to speak and understand Bahasa Malaysia and English.
TRAINING		
Attended the MS 2530 series of standards training or other auditor competency trainings endorsed by MPOCC or MPOB (pre 2016).	MOHD JOHARI KASSIM	Completed and certified MSPO Auditor course in 2018 held by SGS (M) Sdn. Bhd.
Shall have undergone 40 hours of accredited lead auditor course either in Quality Management Systems (QMS) or Environmental Management Systems (EMS) or Occupational, Health and Safety Management Systems (OSH).	MOHD JOHARI KASSIM	Undergone 40 hours of Lead Auditor in QMS on 2018 held by TOMC (M) Sdn Bhd.
Experience		
Conducted a minimum six (6) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes	MOHD JOHARI KASSIM	Join as Auditor since 2017 with more than 20 man days of audit with various certification Body

2.3 Audit Methodology

2.3.1 General Overview

Introduction:

The Stage 2 Compliance Audit was conducted to evaluate MSPO implementation of Yu Yee Plantations Sdn Bhd consist of 2 estate including Yu Yee Plantations Sdn Bhd and Yuseng Plantations Sdn Bhd approximately total oil palm plantations are 337.00ha.

. The Stage 2 Audit was carried out in conformity with the procedures as laid down in the TCI Procedure Manual and the MSPO Program Manual for the auditors and Certifier. During the Audit the qualified TCI auditors used the MSPO standard as endorsed for the country in which the audit took place and recorded their findings.

Workers and local communities were interviewed and evidence sought to confirm ongoing compliance to include:

- **Chemical stores.** Storage, MSDS leaflets, Herbicide mixing areas, PPE, Ventilation, Security.
- **Field inspections.** Herbicide application programs. Harvesting sites and efficiency. Fertilizing operations. SOP's. Soil maps. Land preparation. Ground cover. IPM. First aiders and boxes. Ground cover. Soil erosion. Field observations of all operations.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts. Child labor. First aid. Awareness.
- **Re-planting sites.** Zero burn.
- **HCV's.** Identification. Management plans. Environmental Impact Assessments. Implementation.
- **Riparian zones.** Width. Current and future management. Non maintenance regimes.
- **Water management.** Water courses. Water monitoring.
- **Road maintenance.** Run off.
- **Social amenities.** Social Impact Audits.
- **Local communities.** Contributions made. Employment opportunities. Social impacts. Complaints procedures.
- **Workshops.** Oil traps. Safe working environment. PPE. Diesel tanks. Environmental waste management.
- **Line sites.** Interviews with householders. Inspection of water discharge points. Water improvement plans. Waste disposal.
- **Documentation review.**

Verification:

Verification of implementation was done through field observations, workshop and chemical store inspections, worker and community interviews as summarized above.

AUDIT AGENDA

DATE	TIME	SUBJECT	AUDITOR
22 November 2019 (Friday)	09:00 – 010:00	Centralize Opening Meeting at Yu Yee Plantations Sdn Bhd: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. <ul style="list-style-type: none"> ➤ Confirmation of assessment scope and finalize Audit Plan (including stakeholder consultations where applicable) 	MRK/MJK
	10:00 – 12:00	Yu Yee Plantations Sdn Bhd <ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> ➤ Documents review P1 – P3 (part 3),P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement ➤ The stakeholder consultation will be held along the audit process ➤ Stakeholder Consultation Meeting 	MRK/MJK
	12:00 – 13:00	Lunch	
	13:00 – 15:00	<ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> • Document review P4-P6 (part3), P4: Social Responsibility, health, safety and Employment Conditions P5: Environment, natural resources, biodiversity and ecosystem service. P6: Best Practices 	MRK/MJK
	15:00 – 17:00	<ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> • Document review P4-P6 (part 3), P4: Social Responsibility, health, safety and Employment Conditions P5: Environment, natural resources, biodiversity and ecosystem service. P6: Best Practices 	MRK/MJK

DATE	TIME	SUBJECT	AUDITOR
23 November 2019 (Saturday)	09:00 – 010:00	Centralize Opening Meeting at Yu Seng Estate: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. <ul style="list-style-type: none"> ➤ Confirmation of assessment scope and finalize Audit Plan (including stakeholder consultations where applicable) 	MRK/MJK
	10:00 – 12:00	Yu Seng Estate <ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> ➤ Documents review P1 – P3 (part 3),P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement ➤ The stakeholder consultation will be held along the audit process ➤ Stakeholder Consultation Meeting 	MRK/MJK
	12:00 – 13:00	Lunch	
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17:00 – 17:30	<p>Centralize Closing Meeting at Yu Yee Plantations Sdn Bhd</p> <p>Estates:</p> <ul style="list-style-type: none"> ➤ Chaired by the audit Lead Auditor <ul style="list-style-type: none"> • Welcome and introduction by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor <p>End of Assessment.</p>	MRK/MJK
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PART 3 ASSESSMENT FINDINGS

3.1 Lead Assessor's Summary and Recommendation for Certification

Yu Yee Plantations Sdn Bhd visited and was assessed at field, office, facilities, stores and a document review was carried out in accordance to the MSPO. The Stage 1 Audit was conducted on 14 October 2019. The main objective of Stage 1 Audit was to ensure relevant documentations were addressed as well as to review the estate field condition and their surrounding areas. The subscribed MSPO management system's documentations seen with minor changes that due to internal external influenced factors that in relation to scope of certification.

During the audit process, the auditors had extensive interviews session with Scheme Managers, , members of workers' union and committee took place in both formal and informal environments and worker interviews were conducted at the Group manager and scheme manager

There were a few suggestions or feedbacks received during the audit or during the stakeholders meeting, see Part 3.4 below.

There was no complaint received during the audit or during the field assessment when interviewing with the external stakeholders. The management continually monitoring the established KPI / objectives that significantly rules the achievement of company's corporate policy on MSPO.

There are non-conformity has been raised during the audit, as per annex. Yu Yee Plantations Sdn Bhd has addressed non conformity accordingly before certificate is awarded.

The audit team conduct the audit based on sampling process of the available information.

Summary of Non-Conformance

During the Certification Assessment there was :

Major:-

Minor: 1

Of Non conformity been raise.

The corrective action plan for NCR Minor is accepted, and verification of NCR will be conducted on next surveillance audit. It is therefore the recommendation of the lead assessor that:

Main Assessment

- A certificate of compliance is Awarded

Recertification / Reassessment / Annual Surveillance

- A certificate of compliance is Renewed

Main Assessment + Extension Scope

- The current certificate continued and maintained, to maintain the certification that extension of members to the current certification be Awarded

Signed:



Name: MOHD RIZAL KASSIM

Date: 20.3.2020

3.2 Summary of the findings by Principles and Criteria

- Over the 5 year period of the life of the certificate, there will be 4 annual surveillance audits
- Identified Non-Conformities and noteworthy Positive and Negative Observations.
- The MSPO require that this report contain findings by each principle and some example criteria. Please see table below.

Principle 1: Management Commitment & Responsibility

4.1.1 Malaysian Sustainable Palm Oil (MSPO) Policy

<p>4.1.1.1 A policy for the implementation of MSPO shall be established</p>	<p>Yu Yee Plantation Sdn Bhd has initiated the implementations of MSPO requirements. Commitment and Implementation MSPO Policy has been established and signed by Estate Manager, Mr Goh Yew Keat.</p> <p>There are also sighted 4 others Policy to support to commitment to implement MSPO that been established as per below:</p> <ol style="list-style-type: none"> 1. Occupational Safety and Health Policy 2. Zero Burning Policy 3. Human Resources and Social Policy 4. Environment, Natural Resources, Biodiversity and Ecosystem Policy <p>Communication of the policy sighted done by display at the workers housing area and office notice board.</p>
<p>4.1.1.2 The policy shall also emphasize commitment to continual improvement.</p>	<p>The established policy has emphasized on the commitment to continual Improvement with the objective of improving the estate operation.</p> <p>Sighted the management has developed continues improvement plan as per below;</p> <p>Beneficial Host plant- Environment Empty Pesticides Container- Environment "Gotong Royong Perdana"- Social Sighted Action plan and Objectives for each item.</p>
<h5>4.1.2 Internal Audit</h5>	
<p>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>	<p>The internal audit has been planned to be conducted on October 2019 as per sighted in estate internal audit and MSPO Audit Program. As per Internal Audit Procedure, the internal audit plan must be conducted once a year or when necessary to determine any strong and weak point or any potential area for improvement that can be adopted in estate management system and practices.</p>
<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.</p>	<p>Internal Audit procedures were made available and documented accordingly. The internal audit has been conducted on 25.10.2019 and the internal audit report was available and documented accordingly. As per result of internal audit, there were several Non Conformity had been raised. The management has taken evaluation and identification of NCR and had taken a necessary corrective action.</p>
<p>4.1.2.3 Report shall be made available to the management for their review.</p>	<p>Internal Audit report was available and has been evaluated and discussed during management review meeting dated 25.10.2019.</p>

4.1.3 Management Review	
4.1.3.1 The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.	The management review meeting was conducted on 25.10.2019. Inputs from internal audit report and MSPO Issues were discussed during the management review meeting.
4.1.4 Continual improvement	
4.1.4.1 The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.	The estate management has developed on continual improvement plan to be implemented at the estate. Sighted the continual improvement plan as per below; - Social - To developed new training to the workers - Environmental - Practicing on Triple Rinse and reuse of chemical container
4.1.4.2 The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.	There is no new technology has been introduce in the estates.
4.1.4.3 An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.	There is no new technology has been introduce in the estates.
Principle 2: Transparency	
4.2.1 Transparency of information and documents relevant to MSPO requirements	
4.2.1.1 The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes	The company has established Request and Response Record System to record the information that requested and released to stakeholders are in line with company confidentiality. As per to time of audit, there is no record of requested information from relevant stakeholders.
4.2.1.2 Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social	There is no restriction noted as to the documents made available upon request. In addition, the management has listed of publicly available document that available upon request as per below; a) Land Title b) OSH and Safety Plan c) Environment and HCV Plan

outcomes.	<p>d) SIA Plan</p> <p>e) Complaint and Grievance Procedure</p> <p>f) Continual Improvement Plan</p> <p>g) MSPO policy</p> <p>h) Human right policy Stake holder meeting held and relevant information communicated observed during stake holder meeting.</p>
4.2.2 Transparent method of communication and consultation	
4.2.2.1 Procedures shall be established for consultation and communication with the relevant stakeholders.	The management has developed Communication and Consultation Procedure as sighted on SOP No 7, where the objective is to provide an effective communication system with the stakeholders.
4.2.2.2 A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.	Mr Tukiman Bin Atan was appointed as Social Consultation and Communication Officer. Letter of appointment dated 30.09.2019 was sighted.
4.2.2.3 List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.	<p>The management has established List of Relevant Stakeholders for FY2019 which included all relevant stakeholders such as local communities, school and government authorities.</p> <p>Stakeholders meeting d with relevant stakeholders was conducted on 11.09.2019 with participating of internal stakeholders such as worker's representative and external stakeholders.</p>
4.2.3 Traceability	
4.2.3.1 The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).	The management has established the standard operating procedure for traceability as per sighted on Doc No: YYP/SOP/TRA-00 Issues Dated: 05.09.2019 to provide guideline on delivery FFB to mill.
4.2.3.2 The management shall conduct regular inspections on compliance with the established traceability system.	Various means were available on how to monitor the traceability where among others the updating FFB delivery records and through month end account closing.
4.2.3.3 The management should identify and assign suitable employees to implement and maintain the traceability system.	Estate supervisor are assigned to maintain and implement the traceability system, appointment letter from Estate Manager dated 30.09.2019 was sighted.
4.2.3.4 Records of sales, delivery or transportation of FFB shall be maintained.	Verification of the records and documents mentioned showed that deliveries of FFB were well maintained. Crosschecking between the daily FFB delivery records and the transportation documents showed that the records were accurate and well maintained.
Principle 3: Compliance to legal requirements	
4.3.1 Regulatory requirements	

<p>4.3.1.1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p>	<p>Yu Yee Plantation Sdn Bhd had continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulations is monitored by the operating units.</p> <p>The following permits and licenses available for verification; Yu Yee Plantations - MPOB License #502555102000 valid until 31/08/2020. Yuseng Plantations - MPOB License #501853902000 valid until 31/10/2020.</p> <p>Workers Permit: AT ****407 expired June 2021 AT ****263 expired June 2021</p>
<p>4.3.1.2 The management shall list all laws applicable to their operations in a legal requirements register.</p>	<p>The document tabulates all national legal requirements applicable to the Estate's operation. Sample regulations include, but not limited to, the following: i) OSHA 1994 ii) FMA 1970 iii) Minimum Wage Order 2018 iv) Employment Act 1955 v) Workers Minimum Standard of Housing & Amenities Act 1990</p>
<p>4.3.1.3 The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p>	<p>List of related legal register is available and updated on January 2019.</p>
<p>4.3.1.4 The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p>	<p>Mr Tukiman Bin Atan was appointed as officer responsible to monitor any change or update with law and regulation. Letter of appointment dated 30 September 2019 was sighted.</p>
<p>4.3.2. Land use rights</p>	
<p>4.3.2.1 The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p>	<p>The estates are on Pahang State Government lease land and they hold copies of Land Titles. The oil palm operations are consistent with the land title for agricultural purpose. Yu Yee Plantations No lot 4681: 427 acre No lot 2492: 83 acre No lot 4680: 77 acre 99 years lease until 2062.</p>
<p>4.3.2.2 The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p>	<p>Sighted the land title for the Estate's operation. Details of the land title are as follows: Yu Yee Plantations No lot 4681: 427 acre No lot 2492: 83 acre No lot 4680: 77 acre 99 years lease until 2062.</p>

<p>4.3.2.3 Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable</p>	<p>Legal boundary stones, trenching and road side were sighted during the field walkabout; clearly distinguishing the boundaries of land ownership. No Estate palms were planted beyond the established boundaries.</p>									
<p>4.3.2.4 Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).</p>	<p>As per time of audit, there is no dispute reported as the estate.</p>									
<p>4.3.3 Customary rights</p>										
<p>4.3.3.1 Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.</p>	<p>There is no customary right issue reported in the estate.</p>									
<p>4.3.3.2 Maps of an appropriate scale showing extent of recognized customary rights shall be made available.</p>	<p>There is no customary right issue reported in the estate.</p>									
<p>4.3.3.3 Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.</p>	<p>There is no customary right issue reported in the estate.</p>									
<p>Principle 4: Social responsibility, health, safety and employment condition</p>										
<p>4.4.1 Social impact assessment (SIA)</p>										
<p>4.4.1.1 Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.</p>	<p>The Social Impact Assessment was carried out 27.09.2019 by the Green Sustainable Resources, consultant company. Seen the assessment report dated 27.09. 2019. The assessment has involved the participation of internal and external stakeholders.</p> <p>The negative impact and positive impact were incorporated into the management plan:</p> <table border="1" data-bbox="571 1720 1439 1921"> <thead> <tr> <th>No.</th> <th>Issues</th> <th>Management Plan</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Among the workers are yet to received worker's contract.</td> <td>Prepared copy of contract and will grant to the workers</td> </tr> <tr> <td>2.</td> <td>Lack of training provided to the workers</td> <td>Added the training need analysis and prepared the suitable training to workers.</td> </tr> </tbody> </table> <p>The social impacts stated in the assessment report were excluded the impact that could effected the external related stakeholders. NCR 01 Minor</p>	No.	Issues	Management Plan	1.	Among the workers are yet to received worker's contract.	Prepared copy of contract and will grant to the workers	2.	Lack of training provided to the workers	Added the training need analysis and prepared the suitable training to workers.
No.	Issues	Management Plan								
1.	Among the workers are yet to received worker's contract.	Prepared copy of contract and will grant to the workers								
2.	Lack of training provided to the workers	Added the training need analysis and prepared the suitable training to workers.								

4.4.2 Complaints and grievances	
4.4.2.1 A system for dealing with complaints and grievances shall be established and documented.	The management has developed complaint and grievances procedure (Doc No.: YYP/MP/MSPO/ADU-00, Issues Dated: 05.09.2019. The objectives of the procedure are to provide a channel for the internal stakeholders and external stakeholders to lodge any complaints to the management. Mechanism to handle the complaint was clearly described in the procedure.
4.4.2.2 The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	As stated in the SOP, it is stated that all grievance shall be resolved within 3 to 6 months depending on the complexity of the complaints. As below , the flow chart if there is an issue were raised : 1.Issue raised 2.Issue taken by management 3.Initial discussion between management and disputed stakeholder 4.Resolved If no report to higher management If yes the issue is periodically review by management
4.4.2.3 A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	Complaint form available at office for submission by stakeholders. Form state for date, name and complaint from the stakeholders, comment, action taken and effectiveness from the action.
4.4.2.4 Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.	Management has publicly a memorandum to inform stakeholders regarding on the complaint can be made available any time. Based on interview with stakeholders, they understand the process and more willing to complaint by call or come to office.
4.4.2.5 Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	Verified the Complaint Form has not been recorded yet since the system has just been established.
4.4.3 Commitment to contribute to local sustainable development	
4.4.3.1 Growers should contribute to local development in consultation with the local communities.	Verified CSR based on interview with management and interview with the workers. Donation has been contributed such as: 1. School Donation 2. Temple 3. Gotong-royong activities.
4.4.4 Employees safety and health	
4.4.4.1 An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.	The Occupational Safety & Health Management Policy had been established and implemented by the Estate. The policy was signed by the Estate Manager on 11.09.2019 and displayed prominently on notice boards in Bahasa Malaysia. The Policy is implemented through the OSH activities by the Plantation Director. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees and visitors. In interviews with the workers and staff during the site visit revealed that the employees had been briefed and had understood the policy.

<p>4.4.4.2 The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p>	<p>The Occupational Safety & Health Management Policy had been established and implemented by the Estate. The policy was signed by the Estate Manager, and displayed prominently on notice boards in Bahasa Malaysia. The Policy is implemented through the OSH activities by the Plantation Director. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees and visitors. In interviews with the workers and staff during the site visit revealed that the employees had been briefed and had understood the policy.</p>
<p>b)The risks of all operations shall be assessed and documented</p>	<p>The estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records. At the estates, among the HIRARC covered activities are:</p> <ol style="list-style-type: none"> 1. Weeding – Spraying 2. FFB collection 3. Pruning – Cutting & Stacking Fronds 4. Harvesting <p>They are made on annual basis or whenever a situation deemed necessary in event of accident or new machinery / work process. All HIRARC prepared were adequate to address any situation of the risk management. All HIRARC were verified and approved accordingly.</p>
<p>c) An awareness and training programed which includes the following requirements for employees exposed to pesticides:</p> <ol style="list-style-type: none"> i) all employees involved shall be adequately trained on safe working practices ii) all precautions attached to products shall be properly observed and applied 	<p>I) Chemical Handling training has been conducted on 10.04.2019. II) SDS is available and properly observed and applied.</p>
<p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p>	<p>The estates provide PPE to the employees relevant to the work handled by the workers. The list of PPEs that were provided by the estates are as below:</p> <ol style="list-style-type: none"> i. Harvester- Safety Helmet, Safety Shoes. ii. Sprayers- Safety Helmet, Safety Shoes face mask, Apron and Gloves. <p>During the site visit workers were observed to be in PPE.</p>
<p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p>	<p>The standard operating procedure to handling chemical is established as per sighted in estate manual procedure Doc No.: YYP/MP/MSPO/BKS-00 Issues Dated 5 Sept 2019. the SOP covers aspect such as:</p> <ol style="list-style-type: none"> 1. Issuing of Chemical or Solvent 2. Exposure Control and Personnel Protection 3. First Aid Measure

f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements	Mr Tukiman Bin Atan was appointed as Safety and Health Officer. The appointment letter dated 05.09.2019 was sighted.
g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded	Estate management conducts two-way communication with their employees through daily roll call, training and safety briefing. No OSH minutes off meeting required since the number of plantation workers is less than 40 persons. Sighted the minutes of meeting dated 25 October 2019. The meeting agenda of meeting includes OSH Policy, PPE issuance, OSH matters. OSH Organization Chart is available and shown in estate OSH procedure.
h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.	<p>Seen the ERP plan displayed on office notice board and workers quarters:</p> <ul style="list-style-type: none"> - Emergency and accident procedures (Accident ERP) - List of telephone numbers to call during an emergency (Emergency Contact Number) <p>From Site visit: Workers interview- understood the emergency response plan process.</p>
i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite	Estate Supervisor, Mr Tukiman Bin Atan was trained in First Aid Training. Certificate of First Aider, dated April 2019 was sighted. First Aid kit was available at field during the site visit.
j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	Record of accident, JKKP8 form was made available and documented accordingly.
4.4.5 Employment conditions	
4.4.5.1 The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.	The estate management has established Good Social Policy signed by estate manager on October 2019 regarding human right practices that can be adapted in the estate. Communication of the policy was conducted during morning briefing and published on office notice board.
4.4.5.2 The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.	The estate management has established Equal Opportunity Policy on October 2019. The company was committed to ensure all the employees were treated equally regardless race, nationality religion, gender, age and other political opinion. Interviewed with the workers confirmed that no discrimination has occurred.

<p>4.4.5.3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p>	<p>There were employment contract for workers. Pay and condition are documented and are above Minimum Wage Order 2018. Sampled of employment contracts confirmed that the terms and conditions are clearly outlined and have signed by the worker. Sampled of pay slips confirmed that workers are paid above Minimum Wage Order 2018.</p>
<p>4.4.5.4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p>	<p>No contractor has been engaged.</p>
<p>4.4.5.5 The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p>	<p>All the recruited workers will be registered in the Workers Personal File where personal details such as name, nationality, date of employed, wage rate, date of birth, gender and entitlement of public holiday.</p>
<p>4.4.5.6 All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p>	<p>Employment contracts were acknowledge and kept copy by the workers verified through interviewed with the workers. The terms and conditions were clearly stated in the employment contract such as salary, termination of employment and probation period.</p>
<p>4.4.5.7 The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p>	<p>The estates have implemented the Pocket Check roll system where the attendance and overtime can be verified through workers individual system.</p>
<p>4.4.5.8 The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the</p>	<p>The working hour and break time has been clearly stated in the employment contracts. Besides, the attendance record was available and able to trace through Pocket Check roll Book.</p>

rate applicable and shall meet the applicable legal requirement.	
4.4.5.9 Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	Documented pay slip was distributed to individual workers on the day of payment. Wages and overtime were paid according to the Pocket Check roll Book.
4.4.5.10 Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.	The workers will be granted bonus once a year based on performance of the workers. Incentive was given to the workers as well.
4.4.5.11 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation	The line sites have been provided with the basic amenities such as electricity and water supply form government. Line sites inspection was carried out on weekly basis.
4.4.5.12 The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.	The estate has developed Sexual Harassment, Violence and Reproductive Right on October 2019. The company has committed to protect the rights of women on reproductive and family planning. Discrimination is not allowed in the company. No issues regarding sexual harassment and violence have been reported.
4.4.5.13 The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated	The company has developed Freedom for Voice and Freedom of Association Policy on October 2019. The company allows the employees to join any legal association and get approval from the management. As per to date of audit, no workers committee has been established by the workers.

against or suffer repercussions.	
<p>4.4.5.14 Children and young people shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not be exposed to hazardous working conditions.</p>	<p>The estate has established Child Labor Policy on October 2019 where the estate will not recruit any individual who is less than 18 years old. Document reviewed on the list of workers confirmed that all employees were above 18 years old.</p>
4.4.6 Training and competency	
<p>4.4.6.1 All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p>	<p>Training program for 2019 was made available. Among the trainings included were:</p> <ol style="list-style-type: none"> 1. Safety Policy Briefing 2. PPE Management 3. Harvesting Training 4. Spraying Training <p>Training records were also well maintained at the office.</p>
<p>4.4.6.2 Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p>	<p>The estate has conducted the "Training Need Analysis" and documented accordingly. The Training Plan has been established based on the training need analysis.</p>
<p>4.4.6.3 A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p>	<p>The estate visited has training program which is updated annually based on training need analysis. The trainings identified were programmed throughout the year.</p>
Principle 5: Environment, natural resources, biodiversity and ecosystem services	
4.5.1 Environmental management plan	
<p>4.5.1.1 An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively</p>	<p>Covered in Environmental policy on October 2011, signed by Estate Manager of Yu Yee Plantations Sdn Bhd. Among the contents:</p> <ol style="list-style-type: none"> 1. Compliance the Legal Commitment 2. to enhance EMS by minimizing environmental impact 3. preventing pollution to air, water and soil 4. Continual Improvement

communicated and implemented.	The policy was communicated through morning briefing and displayed on estate notice board.
4.5.1.2 The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations.	a) As per 4.5.1.1 b) Addressed in Environmental identification, Impact assessment and Control management.
4.5.1.3 An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.	Covered under Control Management. Example: - Follow SOP & OSHA - Build premix store - Recycle - Used fertilizer rag
4.5.1.4 A programmed to promote the positive impacts should be included in the continual improvement plan.	The program to promote positive activities has been included in continual improvement plan.
4.5.1.5 An awareness and training programmed shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.	Environmental training: Environmental Management Date: 10.10.2019. Attendance: 6 participants (workers including director) Objective: Importance of environmental management and related issues regarding environment such as prohibition on open burning.
4.5.1.6 Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.	Both estates discussed their concerns about environmental issues with the workers representative in the OSH meeting which conducted quarterly basis.
4.5.2 Efficiency of energy use and use of renewable energy	
4.5.2.1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.	The consumption of diesel was recorded in use of diesel oil for estates activities. The record contained the consumption by vehicles used in the both estates. Baseline value was estimated through historical past years consumption which was eventually put in the annual budget.

<p>4.5.2.2 The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p>	<p>Estimation was based on the annual budget mentioned in 4.5.2.1 above.</p>																
<p>4.5.2.3 The use of renewable energy should be applied where possible.</p>	<p>No renewable energy was used by both estates.</p>																
<p>4.5.3 Waste management and disposal</p>																	
<p>4.5.3.1 All waste products and sources of pollution shall be identified and documented.</p>	<p>The types of waste were generally identified through the evaluation of environmental aspect and impact as mentioned in 5.1.1. The form has the information about: Types of wastes: - fertilizer bags, plastic, glass, iron, paper, used PPE, Method of disposal: - generally to reduce, reuse and recycle.</p>																
<p>4.5.3.2 A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p>	<p>a) Identification of source waste and pollution has been evaluated on environmental aspect and impact as per mentioned in 5.1.1 b) Schedule waste and non-schedule waste were identified in Identification of sources and type waste document. 3R action plan were also included inside the table.</p> <table border="1" data-bbox="571 1227 1129 1429"> <thead> <tr> <th>Type of waste</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>Used PPE</td> <td>Record PPE issuance and return to avoid wastage.</td> </tr> <tr> <td>Electronics</td> <td>Sell to collectors</td> </tr> <tr> <td>Empty chemical container</td> <td>Conduct triple rinsing and reuse for premix.</td> </tr> </tbody> </table> <p>Others waste produced by estate were also identified:</p> <table border="1" data-bbox="571 1525 1129 1727"> <thead> <tr> <th>Other Waste</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>EFB</td> <td>Reused as organic fertilizer</td> </tr> <tr> <td>Oil Palm fond</td> <td>Arranged at fond area inside estate</td> </tr> <tr> <td>Shell</td> <td>Reused as renewable fuel sources.</td> </tr> </tbody> </table>	Type of waste	Action Plan	Used PPE	Record PPE issuance and return to avoid wastage.	Electronics	Sell to collectors	Empty chemical container	Conduct triple rinsing and reuse for premix.	Other Waste	Action Plan	EFB	Reused as organic fertilizer	Oil Palm fond	Arranged at fond area inside estate	Shell	Reused as renewable fuel sources.
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<p>4.5.3.3 The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act,</p>	<p>SOP for handling used chemicals container has been established entitled Waste Management. Ref Doc No.: YYP/MP/MSPO/BKS-00 Issues Dated 5 September 2019 in order to comply with Environment Quality Regulations (Scheduled Waste) 2005.</p>																

1974 to ensure proper and safe handling, storage and disposal.	
4.5.3.4 Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.	HDPE Empty Chemical Container were been used as recycled container during spraying activities.
4.5.3.5 Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	Domestic waste from line site were brought to the landfill, it was observed that rubbish pit is located far from residential area and natural waterways.
4.5.4 Reduction of pollution and emission	
4.5.4.1 An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.	The reduction of pollution has been incorporated with the method on 4.5.1.3 and 4.5.1.4 above. This includes the gaseous emissions, particulate emissions and effluent.
4.5.4.2 An action plan to reduce identified significant pollutants and emissions shall be established and implemented.	Action plan established for reducing GHG emissions was through reduction of diesel usage.
4.5.5 Natural water resources	
4.5.5.1 The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a) Assessment of water usage and sources of supply.	The estate has established the water management plan and reviewed annually basis. Latest reviewed was conducted on 24.09.2019. The water management plan was focusing on mitigation plan to reduce water pollution and water shortage in the estates.
b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.	Water sampling test is not applicable as there is no river crossing the estate area of. Buffer zone signage is available.

<p>c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p>	<p>Ways of optimize water has been included in the estate water management plan such has:</p> <ol style="list-style-type: none"> 1. Maintenance of equipment and part 2. Collection of rainwater.
<p>d) Protection of water courses and wetlands,</p>	<p>Training of spraying has been conducted as part of plan of protection of water courses in the estates.</p>
<p>e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented</p>	<p>No natural vegetation has been removed.</p>
<p>f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p>	<p>No bore well been used. Water sources from government.</p>
<p>4.5.5.2 No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p>	<p>No construction of bund and dams across waterways. Beside, no main rivers passing through the estates.</p>
<p>4.5.5.3 Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p>	<p>Water harvesting has been practices in both estates such as road side drains.</p>
<p>4.5.6 Status of rare, threatened, or endangered species and high biodiversity value area.</p>	
<p>4.5.6.1 Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection,</p>	<p>Ref.: Biodiversity reports and the identification of valuable conservation areas Conservation Value (CV) for Yu Yee plantation company., last updated on 27.09.2019 by Green Sustainable Resources. Based on the HCV assessment report, there are RTE species identified in the plantation due to the reason that the estate is located adjacent to forest reserve. Appropriate measure such as setting up trench at the estate boundary.</p>

<p>population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities</p>	
<p>4.5.6.2 If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met. b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p>	<p>Education for workers and field staff through daily briefing. The field staffs have been briefed about the HCV & RTE on October by consultant by the Manager. Records were made available for verification.</p>
<p>4.5.6.3 A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p>	<p>Monitoring records using log book is established. The report has information about what animal, number of animal, location and observed by who.</p>
<p>4.5.7 Zero burning practices</p>	
<p>4.5.7.1 Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p>	<p>Covered in Prohibition of open burning policy signed by Estate Manager (Mr Goh Yew Keat). There was no use of fire observed for waste disposal and preparing land for oil palm replanting.</p>
<p>4.5.7.2 A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p>	<p>No highly diseased been reported.</p>
<p>4.5.7.3 Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.</p>	<p>No highly diseased been reported.</p>

<p>4.5.7.4 Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.</p>	<p>There was no use of fire observed for land preparation at the newly replanting area. The oil palm trunks were felled, chipped and windrowed.</p>
<p>Principle 6: Best practices</p>	
<p>4.6.1 Site Management</p>	
<p>4.6.1.1 Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p>	<p>Standard Operating Procedures (SOPs) for estates are documented. Interview with staff and workers revealed that all working SOPs being consistently implemented among all employees and monitored by the management through daily morning briefing, training and etc. List sampled SOPs available during onsite assessment sighted as following:</p> <ol style="list-style-type: none"> 1. Replanting SOP 2. Premature SOP 3. Mature SOP 4. Manuring SOP 5. Spraying SOP
<p>4.6.1.2 Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p>	<p>The company has established policy regarding oil palm grown within permitted levels on sloping land and documented Conservation of Sloping Land and river reserve Policy Signed by Estate Manager on October 2019.</p> <p>The estates construct terraces at slope area of more than 6 degrees. Planting of cover crop are made to retain the soil structure and conservation.</p> <ol style="list-style-type: none"> a) Road side pit are made to divert water at slope areas to prevent road erosion and surface damage. b) Terraces are constructed inclined towards the terrace wall
<p>4.6.1.3 A visual identification or reference system shall be established for each field.</p>	<p>Field references were identified by year of planting. Signboards were erected and palms at the entrance of each field were painted with the field identification.</p>
<p>4.6.2 Economic and financial viability plan</p>	
<p>4.6.2.1 A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p>	<p>The estates have their annual budgets with 3 years projection, where the information about operation cost was available. As to monitor the expenditure, the managers were required to submit their expenditure report to HQ on monthly basis with justification where necessary.</p>
<p>4.6.2.2 Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.</p>	<p>No replanting program necessary at as the oldest palms were just 23 years old.</p>

<p>4.6.2.3 The business or management plan may contain:</p> <ul style="list-style-type: none"> a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast <p>Financial indicators : cost benefit, discounted cash flow, return on investment</p>	<p>Crop projection, yield, production cost is available. It is provided in the business management plan shown in item 4.6.2.1 above.</p> <p>The estates have a format and guideline to calculate the returns on the field operations i.e. $\text{Income} = \text{sale of FFB (with award of CPO/CPK from the mill)} - \text{the expenditure (fixed and direct cost)}$. This format is sighted.</p>
<p>4.6.2.4 The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p>	<p>The estates performance is recorded in the monthly progress report.</p> <ul style="list-style-type: none"> a) Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein. b) The management also provides variance report on the performance and reviewed on a monthly basis. c) The supervisory personnel maintained a daily cost for the field operations.
<p>4.6.3 Transparent and fair price dealing</p>	
<p>4.6.3.1 Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p>	<p>Sighted contract signed by parties, estate and mill. The terms and conditions were available as well as FFB Pricing Mechanisms and others services.</p>
<p>4.6.3.2 All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p>	<p>Yu Yee Plantation did not appoint contractor in their operation. Verification being made through document review and also verbal communication and also interview with the stakeholder and management.</p>
<p>4.6.4 Contractor</p>	
<p>4.6.4.1 Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.</p>	<p>Yu Yee Plantation did not appoint contractor in their operation. Verification being made through document review and also verbal communication and also interview with the stakeholder and management.</p>
<p>4.6.4.2 The management shall provide evidence of agreed contracts with the contractor.</p>	<p>Yu Yee Plantation did not appoint contractor in their operation. Verification being made through document review and also verbal communication and also interview with the stakeholder and management.</p>
<p>4.6.4.3 The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required</p>	<p>The management accepted MSPO approved auditors to verify assessments through TCI Sdn. Bhd. certification body. The Stage 1 Audit was conducted on 14.10.2019 while Stage 2 Audit was conducted on 22.11.2019 – 23.11.2019 respectively.</p>

<p>4.6.4.4 The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.</p>	<p>Yu Yee Plantation did not appoint contractor in their operation. Verification being made through document review and also verbal communication and also interview with the stakeholder and management.</p>
<p>Principle 7: Development of new plantings</p>	
<p>4.7.1 High biodiversity value</p>	
<p>4.7.1.1 Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.</p>	<p>No new planting sighted in Estate.</p>
<p>4.7.1.2 No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.</p>	<p>No new planting sighted in Estate.</p>
<p>4.7.2 Peat land</p>	
<p>4.7.2.1 New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.</p>	<p>No new planting sighted in Estate.</p>
<p>4.7.3 Social and Environmental Impact Assessment (SEIA)</p>	
<p>4.7.3.1 A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.</p>	<p>No new planting sighted in Estate.</p>
<p>4.7.3.2 SEIAs shall include previous land use or history and involve</p>	<p>No new planting sighted in Estate.</p>

independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.	
4.7.3.3 The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.	No new planting sighted in Estate.
4.7.3.4 Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.	No new planting sighted in Estate.
4.7.4 Soil and topographic information	
4.7.4.1 Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.	No new planting sighted in Estate.
4.7.4.2 Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.	No new planting sighted in Estate.
4.7.5 Planting on steep terrain, marginal and fragile soils	
4.7.5.1 Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.	No new planting sighted in Estate.
4.7.5.2 Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.	No new planting sighted in Estate.
4.7.5.3 Marginal and fragile soils,	No new planting sighted in Estate.

including excessive gradients and peat soils, shall be identified prior to conversion.	
4.7.6 Customary Land	
4.7.6.1 No new plantings are established on recognized customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	No new planting sighted in Estate.
4.7.6.2 Where new plantings on recognized customary lands are acceptable, management plans and operations should maintain sacred sites.	No new planting sighted in Estate.
4.7.6.3 Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.	No new planting sighted in Estate.
4.7.6.4 The owner of recognized customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.	No new planting sighted in Estate.
4.7.6.5 Identification and assessment of legal and recognized customary rights shall be documented.	No new planting sighted in Estate.
4.7.6.6 A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.	No new planting sighted in Estate.
4.7.6.7 The process and outcome of any compensation claims shall be documented and made publicly available	No new planting sighted in Estate.



Project no: 030-2019
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<p>4.7.6.8 Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.</p>	<p>No new planting sighted in Estate.</p>
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3.3 Non-conformity Raised During this Audit and Any from the Previous Year, if applicable

This section gives an over view of new or revised non-conformities raised during this audit and of action taken to close out non-conformities raised during the previous audits, if applicable

- If a minor-non-conformity raised at the last audit, is not closed out, then this will be raised to Major status and the company given 60 days to close this out.
- The NC number is comprised of 2 parts to include the year in which the NC was raised as well as a sequential number.

3.3.1 Non-Conformities Identified during this Audit




Summary of Non-Conformities

Major: -

Minor: 1

OFI: -

OBS: -

NC No. / Ref.	001-2019-1	Date Detected	23 Nov 2019
Site(s) concern	Yu Yee Plantation Sdn Bhd	Target Completion	Next annual surveillance
Normative Reference and Requirement	4.4.1.1 Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	The social impacts stated in the assessment report were excluded the impact that could effected the external related stakeholders		
Objective Evidence :Documentation			
Lead Auditor Signature:  Date: 23/11/2019		Client Signature:  Date:23/11/2019	
Root cause Analysis (to be filled by client):			
The SIA is not conducted for external stakeholder due to lack of information and time to conduct			
Corrective action planned (to be filled by client):			
SIA will be updated to cover external stakeholder			
Preventive Action (to be filled by client):			
The SIA will directly manage by the director			
Review of corrective/preventive action (to be filled by Lead Auditor)			
The corrective action plan and preventive action is acceptable.		Lead Auditor Signature: 	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Date: 17/02/2020

3.3.2 Observations Raised During this Audit
NIL

3.4 Issues that were raised during the Stakeholder Consultation, if any

Stakeholders those are likely to have information relevant for the evaluation was identified during the evaluation planning process.

- For Main and Re-Assessments, a 30-day Stakeholder consultation announcement is published on the TCI website prior to the audit. The same announcement is circulated by the client and independently by the TCI prior to the audit.
- For subsequent Annual Assessments, it is based on stakeholders reading the approved public summary reports available on the TCI website, the client’s procedures in receiving on-going feedback or if feedback was sent directly to TCI prior to an audit or thorough TCI complaints procedures.

Prior to and during all assessments (Main and annual), the audit team will seek to gather evidence about all relevant principles and criteria directly from stakeholders including statutory bodies, indigenous peoples, local communities (including displaced communities, if any), workers and workers’ organizations [including migrant workers], smallholders, and local and national NGOs.

During each assessment the audit team will review the company’s implemented procedures in receiving feedback and will execute field visits and interviews. Not limited to the following questions, any feedback received is reviewed and summarized in this summary report for either Part 2 – Partial Certification or Part 4 – Assessment Findings above or noted below, if applicable:

1. Do you have any remarks on the MSPO standard?
2. What is your relation with the applicant?
3. Are there any plantation or mill management practices that affect you?
4. Do you consider any management is in conflict with the MSPO principles and criteria?
5. Do you have any suggestions for management?
6. Are you aware of any HCV in the plantations or in adjacent land?
7. Are you aware of any endangered or rare species?
8. Are there any adverse (or positive) effects on local communities?
9. Additional comments?
10. Do you have any comments about the assessment team and would you like to meet with them?
11. Do you have any comments for the client’s management of any other plantations?

3.4.1 Issues Raised by Stakeholders	
IS#	Description
Village’s Representative	Issues: The representative informed that they have good relationship with the management. The management has provided assistance whenever they needed. He understood the complaint procedure
	Management Responses: The management will maintain good relationship with the villagers.
	Audit Team Findings: No other issues
Workers	Issues: The workers have informed that they were treated equally without any discrimination. They understand and received copy of the employment contracts.
	Management Responses: The management will continue treat the workers equally and will ensure compliance with legal requirements.
	Audit Team Findings: No further issues

List of stakeholder contacted before the audit.

No.	Stakeholders name	Phone number Fax number	Title	Company's name	Address
1.	A	09-2662205 Faks: 09-2661545 Email: x	Officer	Majlis Daerah Jerantut	PejabatMajlis Daerah, Kampung Sungai Jan, 27000 Jerantut, Pahang.
2.	B	09-2963603 Faks: - Email: x	Officer	Jabatan Alam Sekitar Daerah Temerloh	Lot 12 & Lot 14, Jalan Pak Sako 3, Bandar Sri Semantan, 28000 Temerloh, Pahang
3.	C	Faks: - Email: x		Pejabat PERHILITAN Daerah Jerantut	No. 1, Bangunan JKKK Bukit Rang, SimpangBalaiPenghuluPulauTawar, 27050 Jerantut, Pahang.

PART 4: CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Date of next ASA

The provisional date for the next ASA is:	05.2021
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4.2 Date for Closure of Non-Conformities

See sections above for details of NC's, if any

- | | |
|----------------------------------|--------------------------------|
| • All major NCs to be closed by: | Before award certification |
| • All minor NCs to be closed by: | Before next surveillance audit |

4.3 Signing by the Client

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document .

I also confirm:

- Acceptance of liability in execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Trans Certifications International.
- That during the closing meeting all agenda items was covered by the Lead Auditor.

Acknowledged by:

Name:	NGIAM KOW KIA
Position:	Managing Director
Date:	30.03.2020



Signature

4.4 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Acknowledged by:

Name:	MOHD RIZAL KASSIM
Position:	Lead Auditor
Date:	23.12.2019




Signature

PART 5: CERTIFIED BODY ACKNOWLEDGEMENT OF CERTIFICATION DECISION

5.1 Signing by the Reviewer

I the undersigned, being the Reviewer, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information.

Acknowledged by:		 Signature
Name:	SYARMILAH BINTI MOHAMMED NOOR RAZAK	
Position:	Reviewer	
Date:	15.03.2020	

5.2 Signing by the Certifier

Based on the findings during the assessment YU YEE PLANTATIONS SDN BHD Certification Unit:

Complies

Not Complies

With the MS 2530-3:2013. I the undersigned, being the Certifier, recommend that:

Granting Certificate

Maintenance Certificate


Renewal Certificate

Re-certificate

Suspend Certificate

Withdraw Certificate

For YU YEE PLANTATIONS SDN BHD CERTIFICATION UNIT

Acknowledged by:		 Signature
Name:	NORSYAHIDAH BINTI MANAF	
Position:	Certifier	
Date:	02.04.2020	

Appendix A: List of Abbreviations	
BRC	British Retail Consortium
CHRA	Chemical Health Risk Assessment
CoC	Chain of Custody
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
ERT	Endangered Rare or Threatened species
EU	European Union
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
FSC COC	Forest Stewardship Council Chain of Custody
FSC FM	Forest Stewardship Council Forest Management
GGL	Green Gold Label
GMP	Good Manufacturing Practice
GOTS	Global Organic Textile Standard
GTP	Good Trading Practice
GPS	Global Positioning System
HACCP	Hazard Analysis and Critical Control Point
HCV	High Conservation Value
HCVF	High Conservation Value Forest
IPM	Integrated Pest Management
JAS	Japanese Agricultural Standard
MDC	MDC Publishers Sdn Bhd (Company Name)
MSDS	Material Safety Data Sheet
NC	Non Conformity
OE	Organic Exchange
OSH	Occupational Safety and Health
OSHAS	Occupational Safety and Health Assessment Scheme
P&C	Principle and Criteria
PEFC	Programme for the Endorsement of Forest Certification
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
RSPO NI	Roundtable on Sustainable Palm Oil National Interpretation
SA8000	Social Accountability 8000
Sdn Bhd	Sendirian Berhad
SIA	Social Impact Assessment
SOCISO	Social Security Organisation
SOP	Standard Operating Procedure
USDA/NOP	United States Department of Agriculture – National Organic Program
MT	Metric Tonnes
WHO	World Health Organization