



Certification International
Certification International

MSPO ASSESSMENT REPORT

ON

MS 2530-4-1: 2022; Malaysian Sustainable Palm Oil
(MSPO)

FOR

| | | | |
|--------------------------|---|----------|-------------------------|
| NAME OF CERTIFIED ENTITY | YPJ PLANTATIONS SDN. BHD. (ALAF PALM OIL MILL) | | |
| MAIN ADDRESS | KM25, JALAN KULAI-KOTA TINGGI, KB 510, 81900, KOTA TINGGI, JOHOR, MALAYSIA. | | |
| SITE ADDRESS (IF ANY) | KM25, JALAN KULAI-KOTA TINGGI, KB 510, 81900, KOTA TINGGI, JOHOR, MALAYSIA. | | |
| REPORT NO. | MR3/MSPO/24/SAV1/021 | | |
| DATE OF VISITATION | 28 November 2024 TO 28 November 2024 | | |
| MSPO CERTIFICATE NO. | CYCLE 2 NEW CERT - MSPO-04-021 | VALIDITY | 20/12/2023 - 19/12/2028 |
| TYPE OF CERTIFICATION | SINGLE | | |
| TYPE OF AUDIT | ON-SITE VERIFICATION (FIELD VISIT & DOCUMENT REVIEW) | | |
| AUDIT STAGE | TRANSFER DURING SURVEILLANCE ASSESSMENT VISIT (SAV) | | |
| SUPPLY CHAIN MODEL | Mass Balance Model (MB) | | |

[Disclaimer: This audit report reflects the compliance of the organization against the audit standard(s) to best accurateness. As the audit was carried out by sampling method, certain areas or processes may not be verified on its compliances. MR3 has taken every effort possible to ensure the accuracy of the audit and reporting. MR3 will not be held responsible should the audited organization failed to provide accurate information. MR3 has full ownership and the right of maintenance of this report and shall take action to deal with incorrect references to certification status or misleading use of certification documents, marks, or audit reports.]


This assessment report has been meticulously prepared to provide a comprehensive analysis of the MSPO Transfer During Surveillance Assessment Visit (SAV). The objective of this report is to evaluate the current status, identify strengths and areas for improvement, and recommend actionable strategies to enhance overall performance and compliance with relevant standards.

Throughout the assessment process, we have employed a systematic approach, incorporating both qualitative and quantitative methods to ensure a thorough and accurate evaluation. Our team of experienced professionals has collaborated closely with stakeholders, conducted extensive fieldwork, and reviewed pertinent documentation to compile this report.

We extend our gratitude to all those who contributed to this assessment, including the management team, staff, and external partners, whose cooperation and valuable insights were instrumental in completing this report. We believe that the findings and recommendations presented herein will serve as a valuable resource for informed decision-making and strategic planning.

We trust that this report will facilitate continuous improvement and support the organization's commitment to excellence. Should you have any questions or require further clarification on any aspect of this report, please do not hesitate to contact us at superadmin@mr3cert.com.

Working TOGETHER, for a sustainable future.

| Prepared By | | Client's Representative Acknowledgement | |
|-------------|---|---|--|
| Signature |  | Signature & Company Stamp | |
| Name | Muhammad Syamil Bin Mat Salleh (ML) | Name | |
| Designation | Lead Auditor | Designation | |
| Date | 28/11/2024 | Date | |
| Email | syamilsalleh88@gmail.com | Email | |

Note for client: Please fill in the "Client's Representative Acknowledgement" section once you have satisfied with the report and as indication of acceptance. A copy of this page to be reverted to MR3 Certification International for recording purpose.

| For Office Purpose: | | |
|--------------------------------------|------|---------|
| Description | Date | Remarks |
| Client Review & Acceptance | | |
| Peer Reviewer | | |
| Certification Decision | | |
| MSPO Certificate Approval / Issuance | | |

ABBREVIATION

| | |
|----------------|---|
| CAP | Corrective Action Plan |
| CB | Certification Body |
| CHRA | Chemical Health Risk Assessment |
| CPO | Crude Palm Oil |
| FFB | Fresh Fruit Bunch |
| FY | Financial Year |
| GAP | Good Agricultural Practices |
| IA | Internal Audit |
| ISCC | International Standard for Carbon Certification |
| LA | Lead Auditor |
| MPOB | Malaysian Palm Oil Board |
| MPOCC | Malaysian Palm Oil Certification Council |
| MRM | Management Review Meeting |
| MSPO | Malaysian Sustainable Palm Oil |
| NA | Not Applicable/ Non-Applicable |
| NC | Non-Conformance/ non-conformity |
| OBS | Observation |
| OFI | OFI |
| P&C | Principle & Criteria |
| PK | Palm Kernel |
| POM | Palm Oil Mill |
| PPE | Personal Protective Equipment |
| RTE | Rare, Threatened & Endangered |
| SCCS | Supply Chain Certification Standard |
| SEIA | Social & Environment Impact Assessment |
| SOP | Standard Operating Procedure |
| TM | Team Member |

EXECUTIVE SUMMARY

The Malaysian Sustainable Palm Oil (MSPO) certification scheme represents a national commitment to the sustainable production of palm oil. This certification is designed to ensure that all aspects of palm oil production, from plantation management to processing, adhere to strict sustainability standards. Maintaining this standard is crucial for promoting environmental stewardship, social responsibility, and economic viability within the palm oil industry. The MSPO standard is essential for several reasons, including environmental protection by ensuring sustainable land use and reducing environmental impact, upholding the rights and welfare of workers and local communities through social responsibility, meeting the growing global demand for sustainably produced palm oil to secure market access, and enhancing the credibility and reputation of the Malaysian palm oil industry. It aims to promote sustainability across the palm oil supply chain. These elements include management commitment and responsibility, transparency, compliance with legal requirements, social responsibility, health, safety and employment conditions, environment, natural resources, biodiversity and ecosystem services, best practices, and the development of new plantings.

MR3 Certification International Sdn. Bhd. (MR3) is a privately-owned company based in Malaysia, incorporated in 2019 with registration number 1314255-P. Our head office is located at Level 6 & 7, The Tribeca, No. 215 Jalan Imbi, 55100 Kuala Lumpur, Malaysia. MR3 specializes in certification audits across various management systems, focusing particularly on Sustainability, Quality, Safety, and Environment. Our team boasts over 15 to 30 years of experience in diverse industries and certification processes. We bring a unique blend of expertise from various sectors, providing detailed insights during the audit process whilst empowered to exercise our judgment and make decisions to ensure that our services are both effective and engaging. This right mix of knowledge and experience allows us to deliver high-quality service to our clients at every level. With our global presence, extensive experience, and customer-centric approach, we confidently offer specialized services that cater to the needs of organizations across different industrial sectors. Our hands-on experience and delivery style ensure accurate and prompt service, establishing a solid foundation for the services we provide. Being a Certification Body, we play a pivotal role in the MSPO certification process with responsibility to conduct rigorous audit and upholding the integrity of the MSPO scheme through unbiased and transparent evaluation processes.

Achieving MSPO certification offers numerous benefits to palm oil producers. These benefits include enhanced market access by opening doors to international markets that demand sustainably produced palm oil, improved operational efficiency through the adoption of best practices that improve productivity and reduce costs, demonstrating a commitment to sustainable development and corporate social responsibility by having a positive social and environmental impact, building trust and confidence among consumers, investors, and other stakeholders through stakeholder confidence, and ensuring adherence to national and international regulations and standards by maintaining regulatory compliance.

In conclusion, the MSPO certification is not merely a standard but a strategic initiative that underscores the industry's commitment to sustainability. By maintaining rigorous compliance with the MSPO standards, the palm oil industry in Malaysia can continue to grow responsibly, benefiting the environment, society, and the economy.

| DETAILS OF CERTIFIED ENTITY | | | | | | |
|---|-------------------------|------------------------------------|---------------------|---------------------------|---------|---------|
| NAME OF UNIT & LOCATION | GPS COORDINATE | MPOB LICENSE NO & VALIDITY | CAPACITY (MT/MONTH) | ACTUAL CAPACITY FY 2023 | | |
| | | | | FFB (MT) | OER (%) | KER (%) |
| YPJ Palntations Sdn. Bhd. Alaf Palm Oil Mill | 1.718825, 103.782326 | 500314104000 expires 31/12/2024 | 40 | 186,744.59 | 19.60 | 4.78 |
| | | | | FORECAST CAPACITY FY 2024 | | |
| | | | | FFB (MT) | OER (%) | KER (%) |
| Other Sustainability Certification: | NIL | | | 191,916.06 | 19.84 | 4.63 |
| Supply Chain Model: | Mass Balance Model (MB) | | | | | |

| INFORMATION OF THE SUPPLY BASE | | | | | | |
|--------------------------------|--|---|--|----------------------|------------------------------------|-----------------|
| NO. | NAME OF SELLER / SMALLHOLDERS OF FRESH FRUIT BUNCH (FFB) | LOCATION / ADDRESS | ESTIMATION OF FFB PRODUCTION (TONNES/YEAR) | GPS COORDINATE | MSPO CERTIFICATE NO & VALIDITY | MPOB LICENSE NO |
| 1 | YPJ Plantations Sdn Bhd, Ladang Alaf | Mukim: Ulu Sg Johor Daerah: Kota Tinggi | 68,394.00 | 1.723533, 103.774399 | MYMS12184551 expires 28/11/2028 | 502568302000 |
| 2 | YPJ Plantations Sdn Bhd, Ladang YPJ | Mukim: Ulu Sg Johor Daerah: Kota Tinggi | 22,282.00 | 1.730933, 103.706517 | MYMS12184551 expires 28/11/2028 | 502568302000 |
| 3 | YPJ Plantations Sdn Bhd, Ladang Payamunis | Mukim: PTD12195/1915 Daerah: Kota Tinggi | 49,920.00 | 2.401539, 103.716721 | MYMS12184551 expires 28/11/2028 | 503974902000 |
| 4 | YPJ Citra Sdn. Bhd. | Mukim: Padang Endau Daerah: Kota Tinggi | 9,830.00 | 2.506853, 103.661881 | MYMS12184551 expires 28/11/2028 | 556510002000 |
| 5 | YPJ Sedili Sdn. Bhd. Ladang YPJP Sedili | Mukim: Kambau Daerah: Kota Tinggi | 19,800.00 | 1.980437, 103.874004 | MYMS12184551 expires 28/11/2028 | 516291002000 |
| 6 | YPJ Sawit Sdn. Bhd. Ladang Kambau | Mukim: Kambau Daerah: Kota Tinggi | 9,889.00 | 1.954754, 104.028260 | MYMS12184551 expires 28/11/2028 | 585335002000 |
| 7 | YPJ Palm Plantations Sdn. Bhd. Ladang Kledang | Mukim: Pantai Timur Daerah: Kota Tinggi | 8,645.00 | 1.432686, 104.255920 | MYMS12184551 expires 28/11/2028 | 573762002000 |
| 8 | KPRJ Resources Sdn. Bhd. Ldg Tg Kelisa Sedili | Mukim: Sedili Kecil Daerah: Kota Tinggi | 5,415.00 | 1.707290, 104.188445 | MYMS12184551 expires 28/11/2028 | 616099002000 |

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55100 Kuala Lumpur, Malaysia.

| | | | | | | |
|----|-----------------------|--|-----------|----------------------|------------------------------------|--------------|
| 9 | Ladang YPJP Kahang | Mukim: Kahang Daerah: Kluang | 9,505.00 | 2.494945, 103.685798 | MYMS12184551 expires 28/11/2028 | 502947602000 |
| 10 | Ladang Sg Ara | Mukim: Ulu Sungai Sedili Besar Daerah: Kota Tinggi | 517.00 | 2.013667, 103.866083 | MYMS12184551 expires 28/11/2028 | 621604002000 |
| 11 | Ladang Sg Peroh | Mukim: Kahang Daerah: Kluang | 643.00 | 2.301529, 103.56623 | MYMS12184551 expires 28/11/2028 | 618701102000 |
| 12 | Ladang Tg Balau | Mukim: Pantai Timur Daerah: Kota Tinggi | 391.00 | 1.647127, 104.236702 | MYMS12184551 expires 28/11/2028 | 770610001007 |
| 13 | Perniagaan Sri Mahtai | Mukim: - Daerah: Kota Tinggi | 10,000.00 | 1.749280, 103.920470 | Non-Certified | 505359815000 |
| 14 | Santex Jaya Sdn Bhd | Mukim: - Daerah: Kota Tinggi | 3,000.00 | 1.909470, 104.072180 | Non-Certified | 619268015000 |
| 15 | Syarikat Mi San | Mukim: - Daerah: Kota Tinggi | 1,800.00 | 1.720312, 103.893438 | Non-Certified | 505809315000 |

LOCATION & ENTITY MAP

1.718825, 103.782326

Restaurants Hotels Attractions Transit Parking Pharmacies ATMs

1°43'07.8"N 103°46'56.4"E
1.718825, 103.782326

Directions Save Nearby Send to your phone Share

Ulu Sungai Johor, Johor
PQ9J+GWG Kampung Semanggar Luar, Kulai, Johor
Add a missing place
Add your business
Add a label

Photos

Alaf Palm Oil Mill

Google

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THE AUDIT PLAN



| AUDIT PLAN | |
|------------|---------------------------------|
| MR3-P05-F3 | Effective Date: 16/11/2023 v 02 |

| Date | Time | Assessor | Business Area/ Process | Indicator | |
|--|------|----------|---|-----------|---|
| DAY 1 28/11/2024 (Thursday) | 0900 | ALL | Introduction by the Lead Auditor on the follow's information: Opening meeting i. Introduction of the participants; Lead Auditor, Team Member/s (if any), Trainee Auditor (if any), Witness Auditor (if any) and Observer (if any) including an outline of their roles; ii. Confirmation of the client's name, location address & scope of certification. iii. 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. iv. Confirmation of formal communication channels between the audit team and the client. v. Confirmation that the resources and facilities needed by the audit team are available. vi. Confirmation of matters relating to confidentiality, assurance of impartiality, conflict of interest & confidentiality of client's information observed & dealing with authority requesting of client's information. vii. Confirmation of relevant work safety, emergency and security procedures for the audit team. viii. The method of reporting, including any grading of audit findings. ix. Information about the conditions under which the audit may be premature terminated. x. Confirmation of the status of findings of the previous review or audit and Use of MSPO logo, if applicable; xi. Methods and procedures to be used to conduct the audit based on sampling. xii. Confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; opportunity for the client to ask questions. xiii. 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; xiv. Methods and procedures to be used to conduct the audit based on sampling; xv. Confirmation of the status of findings of the previous review or audit, if applicable; | Alaf POM | ISO/IEC 17021-1:2015 Conformity assessment — Requirements for bodies providing audit and certification of management systems |

| Date | Time | Assessor | Business Area/ Process | Indicator |
|--|------|---|--|---|
| DAY 1 28/11/2024 (Thursday) | 0930 | ML | Site visitation to verify operational activities and inspect facility areas (ramp to effluent pond), including (if available) chemical storage, fertilizer storage, lab, worker housing, landfill, and other relevant areas. | Alaf POM |
| | | RZ | Principle 4.1: Management commitment & responsibility Criterion 1 : MSPO Policy Criterion 2 : New establishment Criterion 3 : Existing site management Criterion 4 : Training and Competency Criterion 5 : Economic and Financial viability plan Criterion 6 : Commitment to contribute to local sustainable development Criterion 7 : Complaints and grievances handling Criterion 8 : Internal Audit Criterion 9 : Management Review | 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9 |
| | | HF | Stakeholder Consultation To conduct process of engagement with the stakeholder to gauge the level of compliance against the requirements in the MSPO incl document review, interview, communication or consultation and a visit to the field or site (if required). | 4.2.1, 4.2.1.1, 4.2.1.2, 4.2.1.3, 4.2.1.4 |
| | ML | Principle 4.2: Transparency Criterion 1 : Communication and Consultation Criterion 2 : Traceability Criterion 3 : Transparent and fair price dealing Criterion 4 : Ethical conduct | 4.2.1, 4.2.2, 4.2.3, 4.2.4 | |
| | 1230 | ALL | LUNCH BREAK | |
| | 1400 | ML | Principle 4.3: Compliance to Legal Requirements Criterion 1 : Regulatory requirements Criterion 2 : Right to use land Criterion 3 : Native customary rights | Alaf POM 4.3.1, 4.3.2, 4.3.3 |

| AUDIT PLAN | |
|------------|---------------------------------|
| MR3-P05-F3 | Effective Date: 16/11/2023 v 02 |

| | | | | | |
|--|------|-----|---|--|---|
| | | HF | Principle 4.4: Responsibility to Social, Health, Safety and Employment Conditions Criterion 1 : Social impact assessment (SIA) Criterion 2 : Employee's safety and health Criterion 3 : Employment conditions Criterion 4 : Living conditions | | 4.4.1, 4.4.2, 4.4.3, 4.4.4 |
| | | RZ | Principle 4.5: Environment, Natural Resources, Biodiversity and Ecosystem Services Criterion 1 : Environmental management Criterion 2 : Efficiency of energy use and use of renewable energy Criterion 3 : Waste management and disposal Criterion 4 : GHG Emissions Criterion 5 : Water resources Criterion 6 : Environmental conservation and protection Criterion 7 : Zero burning practices | | 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7 |
| | 1630 | ALL | Meeting of assessors to discuss findings and report preparation Presentation of assessment findings and Closing Meeting | | |
| | 1700 | ALL | END OF DAY 1 ASSESSMENT | | |

Note:

- The times indicated are subject to adjustment forward or backward depending on the progress of the assessment.
- The time for lunch break may be adjusted to fit in with the client's operations.
- Auditors reserve the right to change or add to the elements listed before or during the audit depending on the results of on-site investigation.
- A private place for preparation, review and conferencing is requested for the auditor's use.
- Prepare necessary PPE (if required) for site visitation.
- It is desirable for the client's management to be present at both opening and closing meetings.
- Please make a copy of assessment findings, summary report and endorsed scope for your retention.
- Please inform MR3 if there is any objection or conflict of interest related to any of the above team members
- The assessment team may conduct a verification assessment should the client fail to submit corrective actions and root cause analysis for compliance or extension of scope assessment within 3 months from the date of assessment (if applicable).
- You are invited to review the team members and, if necessary, advise MR3 of any conflict of interest. Please contact superadmin@mr3cert.com & admin@mr3cert.com or the General Manager at 012 2488905 directly for any objection.

THE AUDIT PROCESS

The MSPO audit process is comprehensive and involves several key steps. These include pre-audit preparation, reviewing documentation and planning the audit scope, conducting on-site assessments to verify compliance with MSPO principles and criteria, engaging with stakeholders to gather additional insights and feedback, compiling findings into a detailed report that highlights areas of compliance and opportunities for improvement, and conducting follow-up assessments to ensure corrective actions have been implemented.

With reference to MSPO Certification Scheme Document dated 05 January 2023, Section **3.3 REQUIREMENTS FOR LEAD AUDITOR, AUDITOR AND TECHNICAL EXPERTS**. This assessment has been conducted by the following approved assessor(s) which hold sufficient qualifications and experiences to conduct MSPO Assessment. MR3 Certification International Sdn Bhd holds copies of educational qualifications, certificates and audit logs for each of the audit team members.

Summary of the Assessor's credentials are as follows:

| Criteria | Requirement | Lead Auditor | Team Member |
|-----------|---|--|--|
| | | Muhammad Syamil Bin Mat Salleh (ML) | Mohammad Hafizuddin Bin Rossley (HF) / Rizal Ahmad Nazim Bin Abd Raof (RZ) |
| Education | <p>Lead: Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Business Management; or other relevant fields.</p> <p>Auditor: Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Business Management; or other relevant fields.</p> | Muhammad Syamil Bin Mat Salleh holds a Diploma in Mechanical Engineering from MARA University of Technology, Malaysia. | <p>Mohammad Hafizuddin graduated in Diploma of Agriculture from UPM in year 2010.</p> <p>Rizal Ahmad Nazim Bin Abd Raof graduated in Bachelor of Forestry Science (HONS) in UPM.</p> |

| | | | |
|-----------------|---|---|--|
| Work Experience | <p>Lead:</p> <p>Post-Secondary education: At least seven (7) years of work experience in the oil palm sector OR ten (10) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Tertiary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Auditor:</p> <p>Post-Secondary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Tertiary education: At least three (3) years of work experience in the oil palm sector OR five (5) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR three (3) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> | He has almost 10 years' experience in sustainability palm oil industry, and he is also implemented scheme RSPO, MSPO and SCCS certification in his previous company. | <p>HF – He having more than 7 years in plantation sector and handling document control for RSPO audit during his service in the plantation sector from 2010 until 2017. Since October 2017 he join certification body and become auditor for ISO 9001. 14001 and 45001 and also for MSPO audit. From year 2017 until present he had experience in auditing more than 5 years.</p> <p>RZ - Experience in estate management for almost 15 years in Felda Group of companies.</p> |
| Training | <p>Lead:</p> <ul style="list-style-type: none"> • Successfully completed the scheme owner endorsed lead auditor training (5 days) and; <i>(NOTE: The above training certificate is valid for 5 years. Re-attend the lead auditor training is required before the expiry or whenever there are changes in the MSPO Standard)</i> • Undergone 40 hours of lead auditor course in Quality Management Systems (QMS) | He has successfully obtained competency of Lead Auditor course for Malaysia Sustainable Palm Oil (MSPO MS2530:2013 & MSPO MS2530:2022), MSPO SCCS, Integrated Management System certified by Exemplar | <p>Mohammad Hafizuddin had completed below competency:</p> <ol style="list-style-type: none"> 1. MSPO Lead auditor course for MS2530 ;2013 version and MS2530:2022 |

| | | | |
|--|--|---|--|
| | <p>AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH&SMS); OR Lead Auditor for Integrated Management System (IMS).</p> <p>Auditor:</p> <ul style="list-style-type: none"> • Successfully completed the scheme owner endorsed lead auditor training (5 days) and; <i>(NOTE: The above training certificate is valid for 5 years. Re-attend the lead auditor training is required before the expiry or whenever there are changes in the MSPO Standard)</i> • Undergone 40 hours of auditor course in Quality Management Systems (QMS) AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH&SMS); OR Lead Auditor for Integrated Management System (IMS). | <p>Global (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 & ISO 19011:2018) and has successfully completed the SA8000 Introduction and Basic Auditor Training Course by Social Accountability International.</p> | <p>version.</p> <ol style="list-style-type: none"> 2. Completed MSPO SCCS Lead auditor course 3. Completed Lead auditor course ISO 9001 exemplar global. 4. Completed Lead auditor course IMS exemplar global. 5. Completed SA 8000 Basic course. <p>RZ - The auditor completed below competency:</p> <ol style="list-style-type: none"> 1. MSPO Lead auditor course 2530 :2013 and 2022 version (OSH-ISIS), 25-29/3/2024. 2. Completed IMS Lead Auditor Course (Exemplar Global), 29/5/2024. 3. Completed SA8000 Course (SAI), 12-16 June, 2023. 4. Completed ISO9001 Lead Auditor Course (TVE-IRCA), 6/4/2024. |
|--|--|---|--|

| | | | |
|---------------------|--|--|--|
| Auditing Experience | <p>Lead:</p> <ul style="list-style-type: none"> Conducted at least three (3) MSPO or equivalent sustainability certification audits OR a minimum of fifteen (15) man-days, whichever with more man-days, as lead auditor-in-training under the direction and guidance of a qualified lead auditor for MSPO. Maintenance - Conducted a minimum of four (4) different on-site MSPO Certification audits annually as lead auditor. <p>Auditor:</p> <ul style="list-style-type: none"> Qualification - Conducted a minimum of four (4) 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. Maintenance - Conducted a minimum of four (4) on-site MSPO Certification audits annually. | Currently active in MSPO certification as a Freelance Auditor since May 2019 and has been conducted auditing in relevant areas of palm oil plantation & palm oil mill. | <p>Mohammad Hafizuddin Completed more than 100 mandays for part 2, part 3 and part 4 MSPO MS 2530 :2013 version.</p> <p>For MSPO MS2530:2022 version</p> <p>Part 2-1 – completed 1 mandays</p> <p>Part 3-2 – completed 4 mandays</p> <p>Part 4-1 – completed 1 mandays</p> <p>Part 4-3 – completed 1 mandays.</p> <p>RZ - Conducted more than 100 mandays of MSPO audit under the capacity of Lead Auditor and Auditor with several Certification Bodies in Malaysia covering standard part 2, Part 3, Part 4 and MSPO SCCS.</p> |
| General | A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language | Have a good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia and English Language. | <p>Mohammad Hafizuddin having good knowledge in auditing skills which cover in ISO 17021 & 17065 requirement. Able to communicate in English and Bahasa Malaysia.</p> <p>RZ – Have a good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language.</p> |

OPENING MEETING & CLOSING MEETING CRITERIA

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; 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.

THE AUDIT PROGRAMME MATRIX

(legend “☒” plan to cover/ covered, “☐” for not applicable)

| Applicable principle/ Tentative Planned Year | 11/2023 | 11/2024 | 11/2025 | 11/2026 | 11/2027 |
|--|---------|---------|---------|---------|---------|
| Internal Audits | ☒ | ☒ | ☒ | ☒ | ☒ |
| Stakeholder consultation / survey | ☒ | ☒ | ☒ | ☒ | ☒ |
| Use of MSPO logo | ☒ | ☒ | ☒ | ☒ | ☒ |
| Follow-up from previous audit finding | ☒ | ☒ | ☒ | ☒ | ☒ |
| Man-day Allocation | | | | | |
| Public Notification | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1 Management Commitment & Responsibility | | | | | |
| 4.1.1 MSPO Policy | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.2 New Establishment | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.3 Existing site management | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.4 Training and Competency | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.5 Economic and financial viability plan | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.6 Commitment to contribute to local sustainable development | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.7 Complaints and grievances handling | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.8 Internal audit | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.1.9 Management Review | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2 Transparency | | | | | |
| 4.2.1 Communication and Consultation | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2.2 Traceability | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2.3 Transparent and fair price dealing | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.2.4 Ethical conduct | | | | | |
| 4.3 Compliance to legal requirements | | | | | |
| 4.3.1 Regulatory requirements | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.3.2 Rights to use land | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.3.3 Native customary rights | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.4 Responsibility to social, health, safety and employment conditions | | | | | |
| 4.4.1 Social impact assessment (SIA) | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.4.2 Safety and health | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.4.3 Employment conditions | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.4.4 Living conditions | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5 Environment, natural resources, biodiversity and ecosystem services | | | | | |
| 4.5.1 Environmental management | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5.2 Efficiency of energy use and use of renewable energy | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5.3 Waste management and disposal | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5.4 GHG emissions | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5.5 Water resources | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5.6 Environmental conservation and protection | ☒ | ☒ | ☒ | ☒ | ☒ |
| 4.5.7 Zero burning practices | ☒ | ☒ | ☒ | ☒ | ☒ |

Note: Surveillance Audit shall be conducted within 12 months after the certification date but not less than 9 months. Recertification shall be carried out minimum 2 months prior to the expiry of the certificate.

| CONCLUSION OF 5 YEARS REVIEW | | |
|------------------------------|---|--|
| 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 |
| 4 | Throughout the audit process, the management system demonstrates overall conformance with the requirements of the audit standard | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| CHANGES OF THE 5 YEARS AUDIT PROGRAMME |
|--|
| <input type="checkbox"/> YES , Justification: |
| <input checked="" type="checkbox"/> NO , Justification: |

PREVIOUS AUDIT FINDING

The results of the last audit system have been reviewed, to ensure appropriate correction and corrective action has been implemented to address any non-conformity identified. The detail of verification is included below and concluded that:

| | |
|-------------------------------------|---|
| <input type="checkbox"/> | Not applicable as this is an initial assessment |
| <input checked="" type="checkbox"/> | No non-conformity / area of concern raised during last audit. |
| <input type="checkbox"/> | All non-conformity / area of concern identified during last previous audit have been corrected and the corrective action effective and acceptable. |
| <input type="checkbox"/> | One or more non-conformity / area of concern identified during last previous audit not effectively addressed and the specific non-conformity re-issued in the 'Current Audit Result & Non-Conformity Information' section of this report. |

| Verification of Previous Audit Result & Non-Conformity Information | | | |
|--|--|-----------------------------|-------|
| <input type="checkbox"/> Not applicable as this is an initial assessment | | | |
| Stage of Previous Audit | Re-Certification Assessment Visit (RAV) | | |
| Date of Audit | 14th November 2023 to 15th November 2023 | | |
| No of Findings | NIL Major Non-Conformance/s | NIL Minor Non-Conformance/s | 1 OFI |
| Status/ Remark | Confirm that no non-conformances were raised during previous audits. Observations during previous audits have been acted upon by management. | | |

CURRENT AUDIT FINDING

Based on the objective evidence reviewed, observed, and discovered during this assessment, the assessors concluded that YPJ Plantation Sdn. Bhd. (Alaf Palm Oil Mill) **Complies** with the MS 2530-4-1: 2022; Malaysian Sustainable Palm Oil (MSPO) standard and requirements. The following findings were identified:

| CATEGORY | Number of Finding (s) | | | | |
|--|-----------------------|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 |
| <i>Major Nonconformity (Major NC)</i> | - | - | - | - | - |
| <i>Minor Nonconformity (Minor NC)</i> | - | - | - | 1 | 2 |
| <i>Opportunity for Improvement (OFI)</i> | 1 | 1 | - | - | - |

| SUMMARY OF THE FINDING/S: | |
|---------------------------|--|
| PRINCIPLE 1 | OFI 01 Indicator 4.1.9.1 The management need to include and covering in the agenda of management review for the status action from the previous management reviews, changes in external and internal issues that are relevant to the MSPO system, changes in the needs and expectation of interested parties , adequacy of resources and relevant communication from stakeholders including complaints which is being stated in the requirement 4.1.9.1. |
| PRINCIPLE 2 | OFI 02 Indicator 4.2.2.10 Document review found that the management used the wrong registration number for the MSPO Logo on their Letter Head. |
| PRINCIPLE 3 | NIL |
| PRINCIPLE 4 | Minor NC 01 Indicator 4.4.1.1 It is confirmed that the social impact assessment has not yet been carried out according to the new guidelines provided by the scheme owner and therefore a Minor NC is raised. |
| PRINCIPLE 5 | Minor NC 02 Indicator 4.5.4.1 It is confirmed that Relevant Documents for GHG Emissions has not yet been carried out as per the new guidelines provided by the scheme owner and therefore a Minor NC is raised. Minor NC 03 Indicator 4.5.6.1 Document review found that wildlife monitoring records were not available as required by this Criterion. 4.5.6.1 Indicator 1: The organisation, through engagement with stakeholders, shall assess, identify and record the presence and status of species and habitat that exist within or close to the operating site. |

NOTE:

By the virtue of random sampling approach, there may exist chances of non-conformities not being identified during the assessment. Such occurrence shall therefore not be related with the assessor's competency and integrity in any way.

AUDIT CONCLUSION & RECOMMENDATION

The audit team conducted a process-based audit, focusing on significant aspects and risk objectives required by the standard(s). The audit methodology employed the 3P approach: People, Paper, and Practice. The audit team concludes and expresses:

CONGRATULATIONS; the management system is in full compliance.

- CONGRATULATIONS; however, some processes need to address non-compliance(s).
- SORRY; the organization has not established and maintained its management system in line with the requirements of the standard and has
- demonstrated
- not demonstrated the ability of the system to systematically achieve agreed requirements within the scope of the organization.

Based on the records, there are NIL unresolved issues. Therefore, the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity, the management system certification be:

- Granted (initial certification or recertification)
- Granted upon the acceptance of the non-compliance(s)
- Continued (surveillance)
- Continued (surveillance) upon the acceptance of the non-compliance(s)
- Withheld
- Suspended until satisfactory corrective action(s) is completed
- Other (please specify)

Please note that this conclusion and recommendation are based on audit sampling within the organization's management system and therefore do not guarantee 100% conformity with all requirements.