

***Roundtable on Sustainable Palm Oil Certification  
R S P O***

☐ Stage-1    ☒ Stage-2    ☐ Surveillance    ☐ Re-Certification

Name of Management : Maokil POM, Felda Palm Industries Sdn Bhd subsidiary of Felda Global Organisation Ventures  
Plantation Name : Felda Global Ventures Plantations Malaysia: Maokil 6 Estate and Maokil 7 Estate  
Location : Peti surat 14, 85300 Labis, Johor Darul Takzim, Malaysia  
Certificate Code : **MUTU-RSPO/104**  
Date of Certificate Issue : 15 December 2017      Date of License Issue : 15 December 2017  
Date of Certificate Expiry : 14 December 2022      Date of License Expiry : 14 December 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-2	22 <sup>nd</sup> to 25 <sup>th</sup> October 2017	Moh Arif Yusni (Lead Auditor), Yap Ching Hung, M. Amarullah, Ebnu Kholdun S	Ganapathy Ramasamy	Toni Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	15 December 2017

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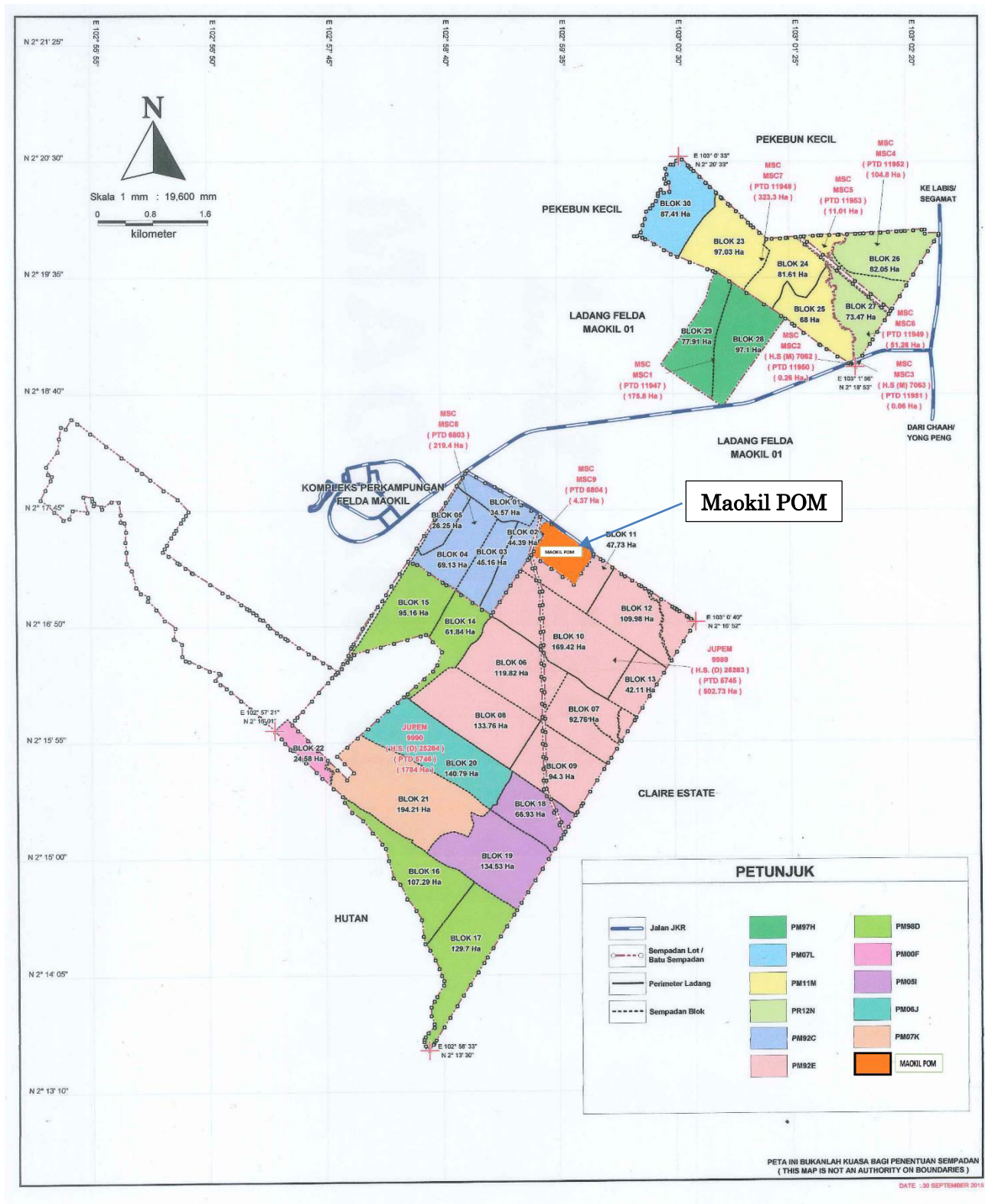
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Figure 1. Location Map of Maokil Complex

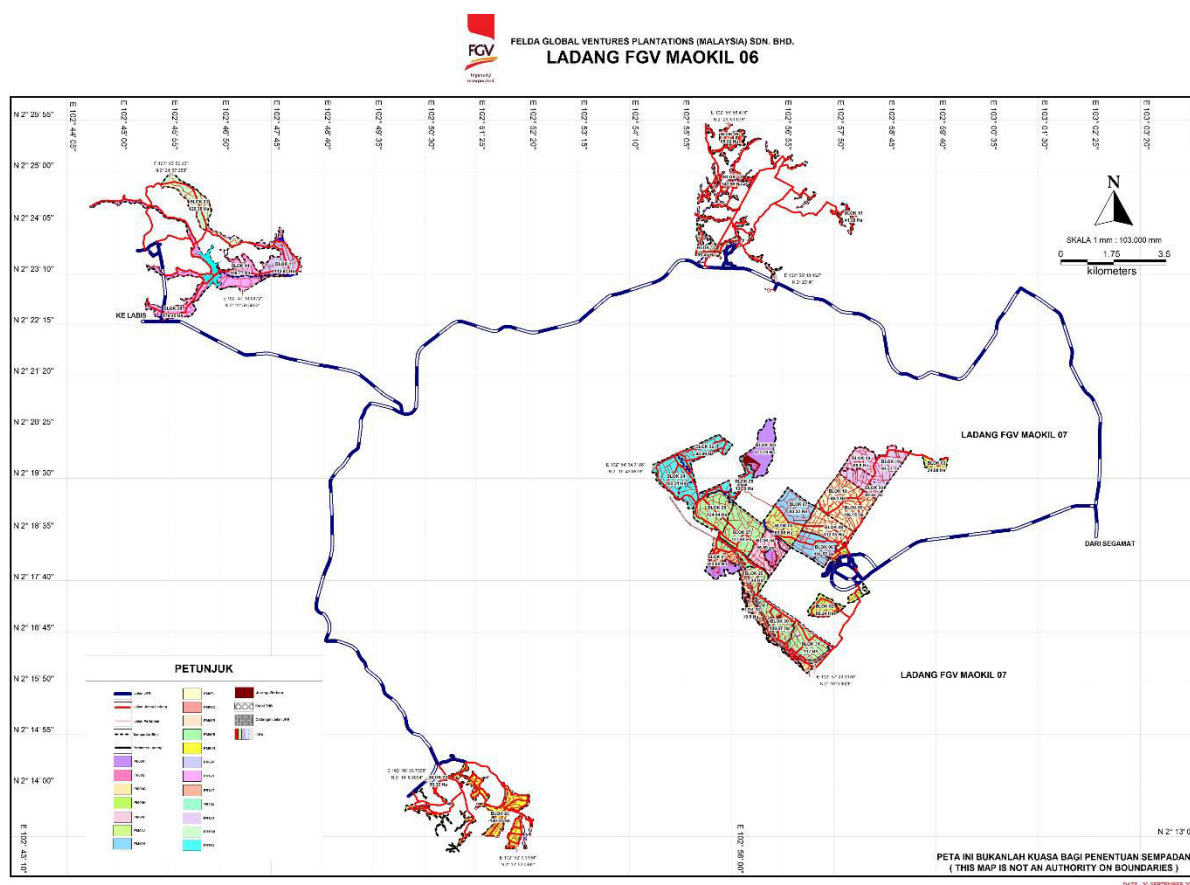




Figure 2. Operational Map of Maokil 7 and Maokil POM



**Figure 3. Operational Map of Maokil 6**



**Abbreviations Used**

ASA	: Annual Surveillance Assessment	OER	: Oil Extraction Rate
BOB	: Barn Owl Box	OFI	: Opportunity For Improvement
BOD	: Biological Oxygen Demand	OSH	: Occupational Safety Health
CDD	: Unit of Certification Due Diligence	P&D	: Pest and Disease
CEC	: Cation Exchange Capacity	PIC	: Person in Charge
CEO	: Chief Executive officer	PK	: Palm Kernel
CPO	: Crude Palm Oil	POM	: Palm Oil Mill
EFB	: Empty Fruit Bunch	POME	: Palm Oil Mill Effluent
EIA	: Environmental Impact Analysis	PPE	: Personal Protection Equipment
EMP	: Environmental Management Plan	R&D	: Research and Development
eRML	: <i>Estate-Rangkaian Maklumat Ladang</i> (Estate Information Connection)	RM	: Ringgit Malaysia (Malaysia currency)
ETL	: Economic Threshold Level	MB	: Mass Balance
FASSB	: Felda Agriculture Services Sdn. Bhd.	RSPO	: Roundtable Sustainable palm Oil
FFB	: Fresh Fruit Bunch	RTE	: Rear Threatened & Endangered
FGVPM	: Felda Global Ventures Plantations Malaysia	SC	: Supply Chain
FPTSB or FTP	: Felda Technoplant Plantation Sdn. Bhd.	SCCS	: Supply Chain Certification System
FTPM	: Felda Techno Plant Malaysia	Sdn. Bhd.	: Sendirian Berhad (non-public company)
GHG	: Green House Gasses	SDS	: Safety Data Sheet
GPS	: Global Position System	SED	: Department of Sustainability & Environment
HCV	: High Conservation Value	SIA	: Social Impact Assessment
HIRADC	: Hazard Identification Risk Assessment Determining Control	SKB	: <i>Sistem Komputer Berintegrasi</i> (Integrated Computer System)
KER	: Kernel Extraction Rate	SOP	: Standard of Procedure
LCC	: Legume Cover Crop	SPK	: <i>Surat Perjanjian Kerja</i> (Work Agreement Letter)
LD	: Lethal Dosage	ST-2	: Stage - 2
NGO	: Non Government Organization	WHO	: World Health Organization

<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b>				
<b>1.1 Assessment Standard Used</b>				
	<ul style="list-style-type: none"> <li>• <i>Malaysian National Interpretation of RSPO Principles and Criteria 2013 by MY-NITF (Malaysian National Interpretation Task Force), endorsed by the RSPO Board of Governors 6th March 2015</i></li> <li>• <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i></li> <li>• <i>RSPO Certification System 2007 (Rev. 2011)</i></li> </ul>			
<b>1.2 Organisation Information</b>				
1.2.1	Organisation name listed in the certificate	Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures		
1.2.2	Contact person	Mr. Norazam Abdul Hameed		
1.2.3	Organisation address and site address	RSPO Registered Company: Felda Global Ventures (HQ) Level 45, Menara Felda, Platinum Park, No. 11, Persiaran KLCC, 50088 Kuala Lumpur, Malaysia		
1.2.4	Telephone	(+ 603) – 26005349		
1.2.5	Fax	(+ 603) – 26987816		
1.2.6	E-mail	<a href="mailto:norazam.ah@feldaglobal.com">norazam.ah@feldaglobal.com</a>		
1.2.7	Web page address	<a href="http://www.feldaglobal.com">www.feldaglobal.com</a>		
1.2.8	Management Representative who completed the application for certification	Mr. Norazam Abdul Hameed (Head of Certification & Due Diligence; Sustainability and Environment Department FGV Holding Berhad)		
1.2.9	Registered as RSPO member	1-0225-16-000-00, 27 December 2016		
<b>1.3 Type of Assessment</b>				
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and its supply bases: <ul style="list-style-type: none"> <li>• MAOKIL Palm Oil Mill, FGVPM Maokil 6 Estate, and FGVPM Maokil 7 Estate</li> </ul>		
1.3.2	Type of certificate	Single		
<b>1.4 Locations of Mill and Plantation</b>				
1.4.1	Location of Mill			
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>	
			<b>Latitude</b>	<b>Longitude</b>
	<b>Maokil</b>	Peti surat 14, 85300 Labis, Johor Darul Takzim	02° 17' 28" N	102°59' 39" E
1.4.2	Location of Certification Scope of Supply Base			
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>	
			<b>Latitude</b>	<b>Longitude</b>
	Maokil 6	W/Pos Maokil, 85300 Labis, Johor Darul Takzim	2° 17' 53"N	102°58' 12" E
	Maokil 7	W/Pos Maokil, 85300 Labis, Johor Darul Takzim	2° 17' 50"N	102°58' 16" E

<b>1.5 Description of Area Statement</b>			
1.5.1	Tenure		
	• State	Estate : 5,693.06 Palm Oil Mill : 19.5 Total : 5,712.56	Ha Ha Ha
	• Community		- Ha
1.5.2	<b>Area Statement</b>		
	• Total area	5,712.56	Ha
	• Mature area	3,894.87	Ha
	• Immature area	1,118.26	Ha
	• Mill and Emplasmment	12.01	Ha
	• Trench/ swamp/ river	3.43	Ha
	• Infrastructure (Housing, Offices, Road)	117.54	Ha
	• Others area (unplanted area & areas planted with timber)	566.45	Ha
<b>1.6 Planting Year and Cycles</b>			
1.6.1	Age profile of planting year		
	Planting Year	Hectarage (Ha)	
		FGVPM Maokil 7	FGVPM Maokil 6
	1987	-	222.84
	1993	1,141.13	-
	2000	21.73	155.27
	2001	-	89.54
	2005	190.54	79.03
	2006	135.30	184.58
	2007	267.77	284.24
	2009	-	157.11
	2011	235.47	-
	2012	148.63	284.53
	2013	-	297.16
	2014	-	259.05
	2016	175.66	196.74
	2017	214.39	272.42
	<b>TOTAL</b>	<b>2,530.62</b>	<b>2,482.51</b>
1.6.2	New Planting area after January 2010	-	Ha
1.6.3	Planting Cycle	2 <sup>nd</sup> Cycle	



<b>1.7 Description of Mill and Supply Base</b>							
1.7.1	Description of Mill						
	<b>Name of Mill</b>	<b>Capacity (tonnes/hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>	
				<b>Out put (ton)</b>	<b>Extraction (%)</b>	<b>Out put (ton)</b>	<b>Extraction (%)</b>
	Maokil	40	218,770.00	42,494.38	19.42	11,317.68	5.17
<i>*Production data source from October 2016 – September 2017</i> <i>*There is discrepancy between FFB received and FFB processed are 1,977.11 Ton. The whole of 1977.11 tonnes were sent to another mill nearby due to Maokil POM maintenance.</i>							
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Maokil 6	2,625.17	2,530.62	40,664.94	16.07	40,664.94	100
	Maokil 7	3,067.89	2,482.51	22,534.19	9.08	22,534.19	100
	<b>TOTAL</b>	<b>5,693.06</b>	<b>5,013.13</b>	<b>63,199.13</b>	<b>12.61</b>	<b>63,199.13</b>	<b>100</b>
<i>*Production data source from October 2016 – September 2017</i>							
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation</b>	<b>Type of Organisation</b>	<b>Number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill FFB (tonnes/year)</b>		
	FTP Tenang	Felda Technoplant Sdn Bhd	394	1,588.66	4,159.22		
	FTP Kemelah	Felda Technoplant Sdn Bhd	431	1,776.64	4,890.50		
	FTP Lenga	Felda Technoplant Sdn Bhd	220	978.90	819.63		
	FTP Chemplak Barat	Felda Technoplant Sdn Bhd	198	758.22	7,428.27		
	Felda Redong	Felda	672	2,855.43	64.17		
	FTP Redong	Felda Technoplant Sdn Bhd			1,208.71		
	Felda Medoi	Felda	331	1,248.06	1,636.61		
	FTP Maokil 1	Felda Technoplant Sdn Bhd	349	1610	5,185.98		
	FTP Maokil 2	Felda Technoplant Sdn Bhd	372	1,492.23	3,222.78		
	FTP Maokil 3	Felda Technoplant Sdn Bhd			106.23		
	Felda Lenga	Felda Technoplant Sdn Bhd	220	978.90	1,769.21		
	Felda Chemplak Barat	Felda	198	758.22	1,714.80		
	Felda Maokil 1	Felda	349	1610	97.62		
	Felda Maokil 2	Felda	372	1,492.23	516.06		
	Felda Maokil 3	Felda			132.43		
	Felda Maokil 4	Felda			84.48		
	Felda Tenang	Felda	394	1,588.66	563.02		
	Felda Kemelah	Felda	431	1,776.64	3,592.52		
	Felda Chemplak	Felda	413	1,360.48	2,933.52		
	Kim Ma Oil	Independent Supplier	-	-	30,820.49		
	Aa Sawit	Independent Supplier	-	-	7,824.24		
	Kawthar	Independent Supplier	-	-	3,797.81		
	Bingan	Independent Supplier	-	-	42,389.22		
	Eng Huat	Independent Supplier	-	-	14,134.25		

	Bousted	Independent Supplier	-	-	1,204.27			
	Tai Ichi	Independent Supplier	-	-	319.50			
	Risda	Independent Supplier	-	-	35.79			
	Kuasa My	Independent Supplier	-	-	15.48			
	Bakti Mas	Independent Supplier	-	-	14,302.43			
	Medan	Independent Supplier	-	-	1,374.68			
	Scs	Independent Supplier	-	-	44.77			
	Abu Hasan	Independent Supplier	-	-	1,169.29			
	TOTAL				157,557.98			
	<i>*Production data source from October 2016 – September 2017</i>							
1.7.4	Product categories		FFB, CPO, PK					
1.8 Tonnage of Product*								
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim ..... to ..... (tonnes/year)		Actual certified product ..... to ..... (tonnes/year)			
	• FFB Production		-		-			
	• CPO Production		-		-			
	• Palm Kernel (PK) Production		-		-			
	<i>*will be verified during ASA-1</i>							
1.8.2	Product Selling*							
	Tonnage of selling product		Actual selling product period ..... until .....					
	• CSPO		-					
	• CSPK		-					
	• CPO under other scheme trading (e.g ISCC, RFS)		-					
	• CPO under conventional trading (if any)		-					
	• PK under other scheme		-					
	• PK under conventional trading (if any)		-					
	<i>*will be verified during ASA-1</i>							
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Maokil 6	2,625.17	2,530.62	44,199	17.47			
	Maokil 7	3,067.89	2,482.51	28,417	11.45			
	TOTAL	5,693.06	5,013.13	72,616	14.49			
	<i>*Projected FFB production for 15 December 2017 until 14 December 2018</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (ton)	Extraction (%)	Palm Kernel Out put (ton)	Extraction (%)	SC Module
	Maokil	40	72,616	13,797	19.00	3,631	5.00	MB
	<i>*Projected CSPO and CSPK production for 15 December 2017 until 14 December 2018</i>							

<b>1.9 Other Certifications</b>						
	ISO 9001:2015		No cert: QMS03093 ; Valid from:24.02.2017 until 11.08.2019			
	ISO 14001: 2015		No cert : EMS 00769 , Valid from 24/02/2017 until 14/09/2018			
	OHSAS 18001:2007		No cert : OHS 00691 , Valid from 24/02/2017 until 23/02/2020			
	ISCC		No cert: DE119-60161632; Valid from: 23.12.2016 until 22.12.2017			
	CoP MPOB		No cert: MPOB/COP/ET/0077-1; Valid from: 21.07.2016 until 20.07.2019			
<b>1.10 Time Bound Plan</b>						
<b>1.10.1 Time Bound Plan for Other Management Units</b>						
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>
	<b>Mill</b>	<b>Time bound</b>				
	Selancar 2B	2017	FGVPM Selancar 6 FGVPM Selancar 8 FGVPM Selancar 9	2017	Malaysia	Audited
	Lepar Hilir	2017	FGVPM Lepar Hilir 5 FGVPM Lepar Hilir 6 FGVPM Lepar Hilir 8	2017	Malaysia	Audited
	Aring A	2017	FGVPM Aring 2 FGVPM Aring 3 FGVPM Aring 4 FGVPM Aring 5 FGVPM Aring 6 FGVPM Aring 8 FGVPM Aring 10 FGVPM Aring 11	2017	Malaysia	Certified
	Kechau B	2017	FGVPM Kechau 6 FGVPM Kechau 8 FGVPM Kechau 9 FGVPM Kechau 10	2017	Malaysia	Audited
	Bukit Sagu	2017	FGVPM Bukit Sagu 4 FGVPM Bukit Sagu 6 FGVPM Bukit Sagu 7 FGVPM Bukit Sagu 8	2017	Malaysia	Audited
	Keratong 09	2017	FGVPM Bera Selatan 5 FGVPM Bera Selatan 7 FGVPM Merchong FGVPM Keratong Timur FASSB Merchong	2017	Malaysia	Audited
	Lepar Utara 6	2017	FGVPM Lepar Utara 7 FGVPM Lepar Utara 8 FGVPM Lepar Utara 9 FGVPM Lepar Utara 11	2017	Malaysia	Audited
	Besout	2017	FGVPM Besout 6, FGVPM Besout 7	2017	Malaysia	To be Audited by CB 20-21 December 2017 (ST-1)
	Kemasul	2017	FGVPM Mengkarak 1 FGVPM Menokarak 2	2017	Malaysia	Audited

Triang	2017	FGVPM Triang 2 FGVPM Triang Selatan 1 FGVPM Triang 4	2017	Malaysia	Audited
Lepar Utara 4	2017	FGVPM Lepar Utara 4 FGVPM Lepar Utara 10 FGVPM Lepar Utara 14	2017	Malaysia	Audited
Maokil	2017	FGVPM Maokil 6 FGVPM Maokil 7	2017	Malaysia	Audited
Palong Timur	2017	FGVPM Palong Timur 4/5 FGVPM PALONG TIMUR 06	2017	Malaysia	Audited
Selendang	2017	FGVPM Selendang 3 FGVPM Selendang 4 FGVPM Selendang 5 FGVPM Berabong 1	2017	Malaysia	Audited
Krau	2017	FGVPM Krau 2 FGVPM Krau 4	2017	Malaysia	Audited
Tenggaroh Timur	2017	FGVPM Tenggaroh 12 FGVPM Tenggaroh Timur 2	2019	Malaysia	To be Audited by CB
Chini 3	2018	FGVPM Terapai 1 FGVPM Chini Timur 4	2018	Malaysia	
Nitar	2018	FGVPM Nitar Timur	2018	Malaysia	
Jerangau Baru	2018	FGVPM Rantau Abang 1 FGVPM Rantau Abang 2 FGVPM Chador 1	2018	Malaysia	
Serting Hilir	2018	FGVPM Tembangau 3 FGVPM Tembangau 5 FGVPM Tembangau 6 FGVPM Tembangau 7 FGVPM Tembangau 8 FGVPM Tembangau 9 FASSB Serting Hilir	2018	Malaysia	
Serting	2018	FGVPM Palong 17 FGVPM Palong 18 FGVPM Palong 21	2018	Malaysia	
Kota Gelanggi	2018	FASSB PPPTR FASSB Kota Gelanggi 5/6	2018	Malaysia	
Kerteh	2018	FASSB Kerteh FASSB Semaring 01	2018	Malaysia	
Neram	2018	FGVPM Cherul 03	2018	Malaysia	
Keratong 3	2018	FGVPM Keratong 11	2018	Malaysia	
Tenggaroh	2018	FGVPM Tenggaroh 9 FGVPM Tenggaroh 11 FGVPM Tenggaroh 13	2018	Malaysia	
Chiku	2018	FGVPM Ciku 4 FGVPM Ciku 8	2018	Malaysia	
Keratong 2	2018	FGVPM Bera Selatan 3	2018	Malaysia	
Jengka 21	2018	FASSB Jengka 24/25	2018	Malaysia	
Adela	2018	FGVPM Kledang 02	2018	Malaysia	
Bukit Kepayang	2018	FGVPM Terapai 3	2018	Malaysia	

	Belitong	2018	FASSB Ulu Belitong FGVPM Bukit Tongkat B	2018	Malaysia	
	Kulai	2018	FASSB Bukit Besar/Taib Andak	2018	Malaysia	
	Penggeli	2018	FGVPM Inas Selatan	2018	Malaysia	
	Chalok	2018	FGVPM Setiu 1	2018	Malaysia	
	Tementi	2018	FGVPM Bera Selatan 1 FGVPM Bera Selatan 4	2018	Malaysia	
	Kalabakan	2019	FGVPM Kalabakan Utara 1 FGVPM Kalabakan Tengah 1 FGVPM Kalabakan Selatan	2019	Malaysia	
	Kembara Sakti	2019	FGVPM Sahabat 30 FGVPM Sahabat 35 FGVPM Sahabat 40 FGVPM Sahabat 41 FGVPM Sahabat 42 FGVPM Sahabat 43	2019	Malaysia	
	Nilam Permata	2019	FGVPM Sahabat 50 FGVPM Sahabat 51 FGVPM Sahabat 52 FGVPM Sahabat 53 FGVPM Sahabat 54	2019	Malaysia	
	Hamparan Badai	2019	FGVPM Sahabat 23 FGVPM Sahabat 24 FGVPM Sahabat 26 FGVPM Sahabat 28 FGVPM Sahabat 31 FGVPM Sahabat 33 FGVPM Sahabat 34 FASSB Tambisan	2019	Malaysia	
	Mercu Puspita	2019	FGVPM Sahabat 7 FGVPM Sahabat 46 FGVPM Sahabat 48 FASSB Sahabat 6	2019	Malaysia	
	Lancang Kemudi	2019	FGVPM Sahabat 10 FGVPM Sahabat 36 FGVPM Sahabat 38 FGVPM Sahabat 39 FGVPM Sahabat 44 FGVPM Sahabat 45	2019	Malaysia	
	Pontian United Plantation	2019	Pontian Fico Pontian Subok Pontian Orico Pontian Pendirosa Pontian Kuril Pontian Hilco Rawajaya Sdn Bhd Blossom Plantation Sdn Bhd	2019	Malaysia	
	2Embara Budi	2019	FGVPM Sahabat 11 FGVPM Sahabat 12	2019	Malaysia	



			FGVPM Sahabat 17 FGVPM Sahabat 56 FGVPM Sahabat 20 FGVPM Sahabat 21 FGVPM Sahabat 22 FGVPM Sahabat 25			
	Baiduri Ayu	2019	FGVPM Sahabat 9 FGVPM Sahabat 16 FGVPM Sahabat 55	2019	Malaysia	
	Umas	2019	FGVPM Umas 5 FGVPM Umas 6	2019	Malaysia	
	Sampadi	2019	FGVPM Sampadi 1 FGVPM Sampadi 3 FGVPM Sampadi 4 FGVPM Sampadi 5 FGVPM Sampadi 6	2019	Malaysia	
	Bukit Mendi	2019	Felda Settlers	2019	Malaysia	
	Jengka 8	2019	Felda Settlers	2019	Malaysia	
	Jengka 18	2019	Felda Settlers	2019	Malaysia	
	Jengka 3	2019	Felda Settlers	2019	Malaysia	
	Padang Piol	2019	Felda Settlers	2019	Malaysia	
	Sg. Tenggi	2019	Felda Settlers	2019	Malaysia	
	Mempaga	2019	Felda Settlers	2019	Malaysia	
	Pasoh	2020	Felda Settlers	2020	Malaysia	
	Kemahang	2020	Felda Settlers	2020	Malaysia	
	Tersang	2020	Felda Settlers	2020	Malaysia	
	Selancar 2A	2020	Felda Settlers	2020	Malaysia	
	Chini 2	2020	Felda Settlers	2020	Malaysia	
	Trolak	2020	Felda Settlers	2020	Malaysia	
	Semenchu	2020	Felda Settlers	2020	Malaysia	
	Jerangau Barat	2020	Felda Settlers	2020	Malaysia	
	Panching	2020	Felda Settlers	2020	Malaysia	
	Bukit Besar	2020	Felda Settlers	2020	Malaysia	
	Kahang	2020	Felda Settlers	2020	Malaysia	
	Waha	2020	Felda Settlers	2020	Malaysia	
	Air Tawar	2020	Felda Settlers	2020	Malaysia	
	Lok Heng	2020	Felda Settlers	2020	Malaysia	
	FGV Asian Plantation Milling Plantation	2021	Inco Setia Sdn Bhd Kronos Plantation Sdn Bhd Fortune Plantation Sdn Bhd BJ Corporatio Sdn Bhd	2021	Malaysia	
	FGV Yapid MAS (Golden Land)	2021	15 Estate : Sri Kehuma Yapidmas AE Tanah Emas Corporation	2021	Malaysia	

			Bhd Ladang Kluang Yapidmas D Sri Mosta 1 Sri Mosta 2 Sri Mosta 3 Cepat Ringgit A Cepat Ringgit B Cepat Ringgit D Karamuak Sg Milian Sg Imbak Kuamat Sg Imbak Kuamat			
	PT Citra Niaga Perkasa	2021	PT Citra Niaga Perkasa Estate	2021	Indonesia	
	PT Temilia Agro Abadi	2021	PT Temila Agro Abadi Estate	2021	Indonesia	
	FGV Estates without FGV Mill	2021	FGVPM Paloh Estate FGVPM Tawai 1 FGVPM Lawin Tengah	2021	Indonesia	
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>					
	Maokil POM receive FFB from scheme smallholder and independent outgrower. The process of RSPO certification for scheme smallholder will be observed on next assessment.					

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ST-2</b>	<p><b>1. Moh Arif Yusni (Lead Auditor).</b> Indonesian citizen, bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection) Faculty of Agriculture. He has a working experience for 2 (two) years since 2010 as Operational staff in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course. Now he worked at Professional Certification Body. He has been several times following audit related to sustainable palm oil certification system as an observer and auditor. Training attended: ISO 19011, ISO 9001; ISPO 14001, RSPO Lead Auditor, ISPO Lead Auditor, OHS Expert, OHS Auditor based on National Government No 50 year of 2012. Since 2012 has been following many audit as auditor for ISPO and RSPO Scheme for several aspect, such as land Legality, Worker Welfare, OHS, transparency, long term economic aspect and Supply chain for palm oil mill. At the time of audit, has appointed to verify SCCS, worker welfare and OHS aspect.</p> <p><b>2. Yap Ching Hung (Auditor).</b> Graduated from University of Malaya with a Bachelor of Engineering (Honours) Degree in Manufacturing Engineering. He is a member of the Institute of Engineers, Malaysia. He had consulted and trained clients from various industries such as chemical, metal fabrication, engineering, electronics, manufacturing, fabrications, plastics, construction and trading in setting up and implementing the Management Systems based on ISO 9001, ISO 14001, ISO 13485, ISO 2200, HACCP, GMP, FSC and OHSAS 18001. Along his service as ISO consultant, he has assist more than 100 companies to obtain the ISO certification from various Certification Body. Yap is also the associate auditor for QE Certification, UK helping in carrying out 3rd party certification audit for ISO 9001, ISO 14001, ISO 22000 &amp; OHSAS 18001. At the time of audit, has appointed to verify Legality, social aspect, land dispute, HCV and environmental aspect</p> <p><b>3. Mohamad Amarullah (Auditor).</b> Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has conducted several ISPO and RSPO audit scheme as an Auditor since 2014, as well as MSPO in 2017 towards Legal, best management practices, environment, conservation and safety aspect. Fluent in Bahasa, Malay and English. At the time of audit, has appointed to verify best management practices and long term management plan aspect(s).</p> <p><b>4. Ebnul Holdoon Sahwal (Auditor).</b> Malaysia Citizen. Graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He is fluent in local language. He has gone for various RSPO audits. Fluent in Bahasa, Malay and English. At the time of audit, has verify aspect of, Transparency and Social aspect</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ST-2</b>	<p>Number of auditors : 4 auditor</p> <p>Number of days for ASA-4 at site: 3.5 days</p> <p>Number of working days for ASA-4 at site : 14 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ST-2</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Maokil POM and its supply base to the requirements of Malaysia National Interpretation - RSPO MY-NIWG of Principles and Criteria (P &amp; C) for Sustainable Palm Oil Production endorsed by RSPO Board of Governors 6 March 2015 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill)</p>

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) *interview*, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Some opportunities for improvement of the results **ST-2** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-1**). Improvement of findings from main assesment findings were observed by auditors at this **ST-2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ST-2**.

The assessment program please find Appendix

**2.2.3**
**Locations of Assessment**
**ST-2**

Number of units in this certification activity is 2 estates, which supply the raw material (FFB) to Maokil palm oil mill. In conducting the assessment, the team of auditors used the 0.8<sup>1/y</sup> formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are One palm oil mill (Maokil POM) and Two estates (FGVP Maokil 6 estate and FGVP Maokil 7 estate).

**Maokil 6 Estate (23 October 2017)**

- **Field PM06K. Harvesting.** Observation and interview with Foreman and 2 Harvesters from Indonesia towards technical harvesting system, manpower, OSH, environment and conservation aspects.
- **Field PR17Z. Pesticide application/weeding (*Glyphosate*) in inter-rows** and Replanting areas. Observation on replanting areas (planted in 2017), new beneficial plants planted, terraces implementation, EFB mulching on immature areas and cover crop condition, as well as interview with Foreman and 1 pesticide Applicators from Bangladesh towards technical, manpower, OSH, environment and conservation aspects.
- **Field PM17L. Pruning.** Observation and interview with Foreman and 2 Frond Pruners from Bangladesh towards technical harvesting system, manpower, OSH, environment and conservation aspects
- **Boundary PM07L,** Observation on legal boundaries and maintaining of plantation borders. Verified against GPS
- **Chemical Store,** observation related agrochemical storage
- **Linesite and hostel area Maokil 6,** Observation related to facilities for worker and management of domestic waste
- **Tadika Kemas Felda Maokil (Kindergarten),** Observation related to facilities for worker and management of domestic waste
- **Clinic Felda Maokil,** Observation on first aid mechanism, medical waste management and work accident record monitoring.

**Maokil 7 Estate (24 October 2017)**

- **Block 25 Field PM11M. Harvesting and Manuring.** Observation and interview with Foreman, 5 Harvester from India (helper) and Indonesia and 6 fertilizer Applicators from Bangladesh towards technical, manpower, OSH, environment and conservation aspects.
- **Block 8 Field PM92E-3A. Pesticide application/weeding (*Glyphosate*) in inter-rows.** Observation and interview with Foreman and 2 pesticide Applicators from Indonesia, towards technical, manpower, OSH, environment and conservation aspects.
- **Field PR17Q.** Observation on replanting areas (planted in 2017), new beneficial plants planted, terraces implementation, EFB mulching on immature areas and cover crop condition.
- **Sungai Karas PM11M & PM12M,** Observation related to the management of riparian zone. It is known protection of riparian zone has conducted in accordance the procedure
- **Legal Boundary PM 98D,** Observation on legal boundaries and maintaining of plantation borders. Verified against GPS
- **Chemical Store,** observation related agrochemical storage
- **Linesite and hostel area Maokil 7,** Observation related to facilities for worker and management of domestic waste

**Maokil Mill (25 October 2017)**

- **Grading Station.** Observation and interview with Licensed Local FFB Graders towards technical, sampling technique, manpower, OSH and environment aspects.
- **Loading Ramp Station.** To observe and interview with 1 Local Operator towards technical, maintenance, manpower, OSH and environment aspects.
- **Thresher Station.** To observe and interview with 1 Local Operator towards technical, maintenance, manpower, OSH and environment aspects.
- **Boiler Station.** To observe and interview with 1 Local Operator towards technical, maintenance, manpower, OSH and environment aspects.
- **Nut and Silo Kernel Station.** To observe and interview with 1 Local Operator towards technical, maintenance, manpower, OSH and environment aspects.
- **Water Treatment Plant.** To observe and interview with 1 Local Operator towards technical, maintenance, manpower, OSH and environment aspects.
- **Biogas Plant.** To observe and interview with 1 Local Operator towards technical, maintenance, manpower, OSH and environment aspects.
- **Hydrant Simulation.** To observe readiness of emergency facility in Maokil Mill.
- **Workshop** Observation and interview related to wages, training, PPE, work accident, and complaint mechanism.
- **Effluent Treatment** Observation related to management and monitoring mill effluent
- **Scheduled Waste Store** Observation on hazardous waste management
- **Chemical Store** Observation related to agrochemical storage
- **Biogas Engine Room** Observation related to utilization of Methane gas producing renewable energy

**Stakeholder**

- FGV Contractor (Felma Jaya ENT.)
- School teacher representative (Kindergarten)
- Foreign Workers representative (Bangladeshi and Indonesian)
- Gender Committee (GPW)
- Gender Committee of FGVPM Maokil (KKD)

**2.3 Stakeholder Consultation and Stakeholders Contacted**
**2.3.1 Summary of stakeholder consultation process.**

- ST-2** Consultation of stakeholders for Maokil POM, FGVP(M) held by:
1. Public announcement at web [www.mutucertification.com](http://www.mutucertification.com) and [www.rspo.org](http://www.rspo.org) on 13 September 2017.
  2. Public consultation by interview with locals of the nearby village (Smallholder of Maokil Complex and local contractor) on 24 October 2017.
  3. Consultation meeting and interview with Internal Stakeholder (labour union and gender committee) on 24 & 25 October 2017
  4. Consultation with NGO (Malaysian Nature Society (MNS) Kuala Lumpur, UNION – AMESU, Centre for Environment, Technology and Development Malaysia – CETDEM, National Council of Welfare & Social Development Malaysia – NCWSDM) via email on 18 October 2017.

Numbers of input from stakeholders were clarified by Maokil POM, FGVP(M).

**2.3.2 Stakeholder contacted**

**Please find appendix 1**

**2.4 Determining Next Assessment**

The next visit (**ASA-1**) will be determined at least 12 months approval of RSPO certification process by CB.



### 3.0. ASSESSMENT FINDINGS

#### 3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Maokil POM – FGVP (M) that operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there are one (1) Nonconformity assigned against Major Compliance Indicators, one (1) Nonconformity assigned against supply chain requirement for CPO mill and seven (7) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (document record/photographic/etc...). Those corrective actions taken that consist of two (2) Major Nonconformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Those corrective actions taken that consist of one (1) Nonconformity assigned against Major Compliance Indicators, one (1) Nonconformity assigned against supply chain requirement for CPO mill had been closed out shall be verified during next assessment. complied with the requirements of Malaysian National Interpretation (MYNI), March 2015 and RSPO Supply Chain Certification Standard November 2014 for CPO Mill.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **issued**

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>During the audit at Maokil Palm Oil Mill, the company had updated the latest stakeholder list dated 5<sup>th</sup> October 2017 and the stakeholder meeting has been done at Dewan Felda Palong 1 at Gemas Negeri Sembilan attended by management of Felda Global Ventures Plantations, workers representative, staff and related stakeholders including internal stakeholders such as villagers and settlers of Felda Maokil 1, Maokil 2, Maokil 3, and Maokil 4. Sighted also form the attendant list other internal stakeholders in FGV Maokil management, CDD unit from FGV Headquarters, Sek Agama Felda Maokil, Felda Palm Industries, School at Felda Maokil (secondary and primary school), Manager of DMART at Felda MAokil, and Smallholders nearby the FGV Maokil. FGVPM also listed down the external stakeholders from FGV Maokil such as contractors of servicing (NAFAS Jentera Sdn Bhd), Contractors FGV Maokil, (Lee Kox Xiang, Felma Jaya Enterprise, Kimpiau Contractor and Zawiah Bina Enterprise). There are list of stakeholders being listed down at each estate and mill (Maokil POM, Maokil6 and Maokil 7) and the list has been approved by the manager of each estate and mill. The frequency updating the document will be done yearly before the stakeholder meeting internal and external being held and the current list been updated on 27<sup>th</sup> September 2017.</p> <p>Stakeholders for FGVPM will be done at the central comprising 4 region which are region Segamat, region Raja Alias, Muadzam region and Kluang Region. Each estate under Maokil will send their own list of internal and external stakeholder and the representative will call through medium digital and letter. The stakeholders are aware regarding type information during the stakeholder meeting and has been briefed by FGV management and regarding the information that can be obtained from FGV and they are aware of the company procedure of communication “Komunikasi, Penglibatan dan Rundangan – FGV/ML-1A/L2-Pr12”prosedur for internal and external communication. Time frame for External Communication is 2 weeks from date of receiving the information and 1 weeks for investigation. External communication has been made a chart through the safety policy, social aspect, and external complain forward to estate manager then estate will comment and investigate, grievance procedure and all external communication will be recorded. The information and procedure are made aware by the management through muster</p>	

morning meeting and policy related to it has been displayed at morning roll call meeting and workshop. FGVPM also had established a procedure of SOP related to grievance and response to stakeholder referring to "Prosedur menangani Aduan dan Rungutan (effective date 1<sup>st</sup> June 2016) FGV/ML-1A/L2-Pr13 (revision 0). Arising matter will be discussed through following steps :

- SOP of constructive response : in 1 weeks discussing the matter with the executive
- After discussion management unit has to settled the problem as soon as possible
- Internal : 7 working days started from date of reporting (second stage)
- Head of department should settled the problem in 14 working days.
- External communication response : 2 weeks from the date of reporting
- 1 week to settle the investigation (if any)
- Media and external stakeholder announce through allowed form Human resource Unit.

Sighted the representative of each estate and Mill to update and communicate for the external issues arising which are the manager of each unit as for Maokil 7

### 1.1.2

Sighted a clear timeline available from the SOP and person in charge of handling the request which are :

- Sighted a report form reporter wife of workers dated 16/8/2017 reported about the broken house "tombol pintu rusak", torn mosquito net, and broken switch plug. Report has been taken care on 30/8/2017 and approved by assistant manager.
- Sighted also the form of feedback related to stakeholder at housing area FGV Maokil 6 that include the aim of RSPO being taken into account such as suggestion to FGV for improving the aspect of sustainability, etc.
- Sighted a record of outgoing letter from FGVPM dated 12<sup>th</sup> September 2017 to Finance Head FGVPM level 23 Menara Felda, and a record of Unit Analisa Baja Felda Analytical Laboratory dated 7<sup>th</sup> Septmebr 2017 has been responded acrodingly and kept in a record incoming and outgoing letter.
- Sighted a record form workers report from (worker), date of report 2<sup>nd</sup> June 2017 (repair on room lamp, electric circuit and, front lamp) has been repaired on 2<sup>nd</sup> June 2016 verified by Manager of FGVPM Malaysia Sdn Bhd

Based on the observation, site verification and interview on the ground, the company had taken action regarding the request from internal stakeholders timely and appropriate. Record of request information related to incoming and outgoing letter from internal and external stakeholder has been maintained in the record book of incoming and outgoing letter. FGVPM had assigned for the workers relation person for each estate names as "Kerani Hal Ehwal Pekerja" that will be in charged any problem, grievances , complain and request made by the workers as representative for Management unit

**Status: Comply**

## 1.2

**Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.**

### 1.2.1

Felda Global Ventures Plantations Malaysia Sdn Bhd has made publicly available the related document listed by the standard. It include the Land title of the management unit (mill and supply bases), license of SPAN, generator set, OSH plan of the mill and estate, risk assessment, mitigation plan (HIRARC document), Environmental Management Plan (EMP) and Environmental Risk Assessment (EIA) aspect and impact of the plantations activity towards the environment, waste management plan of scheduled waste and domestic waste were made available at the estate and mill.

Felda Global Ventures Plantations (FGVPM) had also documented the Social Impact Assessment (SIA) at estate involving the aborigine and settlers and mill accordingly, together with Biodiversity Report for FGVPM Maokil Complexes preped by CDD Unit dated 3<sup>rd</sup> May 2017 for the identification of flora species and water catchment area. Pollution prevention plan (PPR), waste management plan, communication procedure to internal and external parties(document FGV/ ML-1A/ L2 Pr 13- issued no 1 and revised 0), and also include all the company policy ( e.g : human right policy, recycling policy, no open burning policy, ethical code and integrity policy, sexual harassment and right of reproduction policy, Human Right policy dated 1<sup>st</sup> June 2014 approved by CEO have been made available at all estate and management unit of FGVPM as per field visit and document verification.

**Status: Comply**

**1.3**
**Growers and millers commit to ethical conduct in all business operations and transactions.**
**1.3.1**

The company Felda Global Ventures Plantations had set up the policy of code ethical conduct documented and communicated to all level of workforce and third party contractor. The company has input all the elements of prohibitions of all forms of corruption, bribery and fraudulent of funds into the code of conduct. Its include the elements such as :

Code ethical conduct made available at the estate and Mill referring to 'Polisi Kod Etika Kerja dan Integriti' approved by Group Chief Executive dated 1/6/2014:

- Reject practices of corruption, and breaking trust
- Rid of any conflict of interest
- Implement business management with sincere , honest and fair
- protect the confidentiality of information
- Increase the level of professionalism

The code of ethical conduct has been made in Bahasa and English language and been communicated to the workers in Bahasa due to workers understood the language. The communication of policy has been done on morning roll call and displayed on the notice board at the hostel area. Sighted the notice board at the office management and roll call area. There is also the form "taklimat penyerahan perjanjian pekerja kontraktor" dated 15/3/2017" , 11.00 am at meeting room estate Maokil 6 , and Maokil 7 people attend the meeting from contractors representative :

- i) BR perkasa Enterprise
- ii) Khairul bin Abas
- iii) KOO NGOH contractor
- iv) Man Bina Enterprise
- v) Pembinaan KBK Global

Based on the interview and field visit made, the external stakeholders are also understand the policy and code of ethical conduct of FGV where is no present should be given for any occasion. Sighted in the office, the banner of no present policy at FGVP management unit.

**Status: Comply**

**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**
**2.1**
**There is compliance with all applicable local, national and ratified international laws and regulations.**
**2.1.1**

A Legal Register covering the applicable local and international laws and regulations is available at the mill and estates. The identified legislations were regarding to safety and health, environmental management, pollution management, chemical handling, usage & storage, schedule waste management, employment, building, etc. during assestmen the auditor has been observed relevant required licensing and document such as MPOB license, DOE license, competence driver license, etc.

Based on the site assessment, interviews and evidence checking at the POM and estate, there were evidences of compliance with the relevant laws, regulations, local and International laws, among others:

- a. Steam boiler, crane, air compressor, etc observed with valid certificate of fitness
- b. Boundary noise monitoring performed and within permissible limit.
- c. CHRA conducted as per requirement and relevant suggestions implemented.
- d. Audiometric test performed as per requirement and appropriate actions observed.
- e. Mefical surveillance test performed.
- f. Proper scheduled waste management practice observed.

During site observation on scheduled waste store at the mill :

- a) It was observed that insufficient information (first generation date) in the label for SW 102, SW 110, SW 306, SW 409 in accordance with EQ (Scheduled Waste) Regulation Amendment 2007, Regulation 10.

- b) Label on SW 305 & SW 410 stated first generation on 31/1/2017. It was observed that the storage of scheduled waste was over 180 days that permitted by EQ (scheduled waste) regulation amendment 2007.

**Based on that explanation, raised the Non-Conformance No 2017.01 with Major category**

### 2.1.2 & 2.1.3

Relevant procedure available on the identification and management of legal requirement and compliance. The company has been Specific personnel appointed for legal and other requirement person in charge for POM and estates. Documents verifications its known if the comprehensive list of relevant international and national laws available at POM and estates.

Evaluation of compliance performed and found compliance with relevant requirements and Yearly review of legal compliance observed. Internal audit for legal compliance conducted on 7/7/2017 (Maokil POM), 15/3/2017 (Maokil 7) & 28/3/2017 (Maokil 6). But the company need to Consideration to improve legal compliance evaluation on accuracy of evidence. OFI 1

### 2.1.4

Tracking of law changes system defined. Relevant procedures available with communication of changed laws defined. FGV already has procedures for changes / update of legislation in "Prosedur Undang-Undang dan Keperluan Lainnya.

<b>Major 2.1.1</b>	<b>Status: Non-Conformance No 2017.01 with Major category</b>
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## 2.2

**The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights**

### 2.2.1

Relevant documents showing legal ownership such as land title, land use agreement, etc available. The original copies are maintained by the Corporate Head office. Based on document review and field visit known that certification unit has manage a area of **5,693.06** Ha, with mill capacity are 40 Mt/hours

### 2.2.2

Boundary marker map observed with remark available for boundary markers. Total 63 boundary markers identified. During the site observation, physical boundary marker observed in area with forest and external plantation. Ground verification done with GPS. All areas are clearly marked. Monitoring of boundary markers observed in proper order. No case reported on boundary breach.

### 2.2.3; 2.2.4; 2.2.5 & 2.2.6

No land right dispute observed for the POM and estates. Consultation results with stakeholders (smallholder and contractor) is known that there was no dispute / conflict of land between management unit and communities. Field visit and document review also shows that there was no dispute / land conflict in operation area of Maokil POM and supply base. FGVP (M) has had procedure for conflict solution which stated that the resolution involve the stakeholder.

<b>Status: Comply</b>
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## 2.3

**Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.**

### 2.3.1

Legal map observed with proper scale for POM and estates. Relevant procedure developed for handling of land dispute. No record of other user customer right have arised. Records are available to show that the land leases comply with legal requirements case.

### 2.3.2, 2.3.3 & 2.3.4

No land right dispute observed for the POM and estates. Consultation results with stakeholders (smallholder and contractor) is known that there was no dispute / conflict of land between management unit and communities. Field visit and document review also shows that there was no dispute / land conflict in operation area of Maokil POM and supply base. FGVP (M) has had procedure for conflict solution which stated that the resolution involve the stakeholder

<b>Status: Comply</b>
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**PRINCIPLE #3 Commitment to long-term economic and financial viability**
**3.1**
**There is an implemented management plan that aims to achieve long term economic and financial viability.**
**3.1.1**

Long term business or management plan has arranged by Assistant and Estate Manager, presented in Estate Budget 2017 to 2020. The plan has covers area statement, production cost, FFB production and FFB price (RM/ton). For example, estimation of FFB price in 2018 to 2020 were about RM 539/ton, RM 550/ton and RM 530/ton, respectively. Furthermore, long term business or management plan has arranged by Assistant and Mill Manager, presented in Mill Budget/Projection 2017 to 2020. The plan has covers FFB processed, CPO and kernel production, extraction rates (OER and KER), production cost, as well as CPO and kernel price. For example, estimation of CPO production and OER in 2017 to 2020 were about 36,260 ton (19.60 %), 37,528.50 ton (19.70 %), 38,808.00 (19.80 %) and 40,098.50 ton (19.90 %), respectively. Mill and Estate Management stated that long term business plan are subjected to be changed and reviewed annually Mill or Estate Manager, through considering actual trends and dynamic situation which predicted could be changed in the future.

Mill and Estates Management stated that there no plan for expansion on estate operational areas and mill processing capacity. Furthermore, since there is no presence of peat soils in Maokil 6 and Maokil 7 Estate, peat management plan such as study on flooding, drainability and water management are not applicable by the estate management.

**3.1.2**

Estate management shows replanting program which arranged and issued by Manager of Felda Global Ventures Plantations (Malaysia) Sdn. Bhd. For example, program of replanting 2016-2019 in Maokil 6 Estate has fully completed in Field PM97N and PM90B for about 185.74 ha and 272.42 ha, respectively. Furthermore, program of replanting in Maokil 7 Estate has fully completed in Field PM97H and PM92C for about 175.66 ha and 214.39 ha, respectively.

Based on field observation on replanting areas in Field PR17Z Maokil 6 Estate and Field PR17Q Maokil 7 Estate, it was found that replanting were conducted on 100% mineral soils through mechanical method (zero burning). Land clearing through burning method were never been issued by stakeholders such as local communities, NGO, Government Agencies, etc.

**Status: Comply**
**PRINCIPLE #4 Use of appropriate best practices by growers and millers**
**4.1**
**Operating procedures are appropriately documented and consistently implemented and monitored.**
**4.1.1**

Procedures (SOP) of oil palm Agronomy was presented in Sustainable Estate Manual, issued in June 1<sup>st</sup> 2012 by Senior Vice President R&D, General Manager R&D (Plant and Health), Editor and Coordinator. The SOP were divided into five sections which covers management on nursery, replanting, immature palm management, mature palm management and oil palm manuring (code: No. MLSL (Ed. 2) Vol. I – Sec. 1-5). Based on field observation and interview with Harvesters in Field PM06K Maokil 6 and Block 25 Field PM11M Maokil 7 Estate; with pesticide Applicators in Field PR17Z Maokil 6 and Block 8 Field PM92E-3A Maokil 7 Estate, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as standard of ripeness, PPE to be used, considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed (for example conservation area and riparian zone which marked by white-blue pole).

Furthermore, SOP of oil palm processing was presented in Mill Operation Manual dated September 9<sup>th</sup> 2015. Procedure has covers 139 activities (code: FPI/L3/1-01 to FPI/L3/16-01), from FFB acceptance to product (CPO and PK) dispatch. Based on field observation and interview with FFB Grader in Sortation Station, Loading Ramp Station, Processing Stations (Sterilizer, Thresher, Kernel), Power Station, Boiler Station and Biogas Plant Station in Maokil Mill, it could be concluded that all technical processing activities has implemented in accordance with the procedures.

Procedure of safe working practices towards pesticide application is presented in documents of No. MLSL (Ed. 2) Vol. I – Sec. 4 (12.0), Safety Data Sheet (SDS) of agrochemicals and Hazard Identification Risk Assessment Determining Control (HIRADC). Based to field observation to estate and mill, as well as interview with the respective workers, it could be concluded that in general the workers has understood the basic of safe working practices such as using a set of personal protection equipment (PPE), meaning of risk symbols, agrochemicals and hazardous materials handling, etc.



**4.1.2**

Update and distribution of SOP were conducted by Felda Global Ventures Plantations Malaysia (FGVPM), Felda Techno Plant Malaysia (FTPM), Felda Agriculture Services Sdn Bhd. (FASSB), Crop Protectionist, Plant Breeder, Agronomist, RSPO Coordinator and (OSHA) Coordinator. For monitoring of procedure consistency purposes, some mechanism had been conducted by Mill and Estates which presented several documents (reports), such as Agronomy Advisory Visit, President Group Task Force Visit and Plantation Advisory Milling. For example, Agronomy Advisory Visit report for Maokil 6 report dated February 27<sup>th</sup> 2017 and Maokil 7 dated March 1<sup>st</sup> 2017 mentioned that in general Agronomy score for both estates were "B-" (satisfactory). Moreover, Plantation Advisory Milling Visit report No. (25)2017/Scheduled which carried out on March 29<sup>th</sup>-30<sup>th</sup> 2017 mentioned that performance grade for Maokil Mill was "A" (very satisfactory). Observation results has documented and delivered to Senior General manager and other respective management in Head Quarter to be checked, evaluated and monitored.

**4.1.3**

Estate and Mill management operational activities has monitored, documented and regularly reported, for example as follows:

- Region work order record which compile all related contractor works and its cost.
- Actual budget record which informed cost of actual programme implementation (RM/ha).
- Daily harvesting Foreman notes which informed harvester name, location, tonnage of FFB harvested, etc.
- Daily work plan or master chit which informed type of works, location and other remarks.

The above records or report has informed raw data, analysis and mentioned summary notes. Estate and Mill operational records were saved on program namely "*Estate-Rangkaian Maklumat Ladang*" (eRML or Estate Information Connection) and "*Sistem Komputer Berintegrasi*" (SKB or Integrated Computer System), respectively. Both programme were used and updated on daily basis. All critical parameter points describes were need to be response and follow up by the respective person in charge (PIC) through action plan immediately. Progress of action plan were reported and submitted directly to the upper ordinate. Later on, each (priority) points were discussed, analyzed and presented in monthly meeting by Manager. For example, according to minutes monthly meeting in Maokil 6 dated May 17<sup>th</sup> 2017 it could be concluded that there were 9 issues being discussed. Action plan and PIC for every issues were available.

**4.1.4**

Procedure of third party FFB sourcing was presented in document No. FGV/FGVPM/II/QOSHE/15/012.1 dated April 1<sup>st</sup> 2016. Procedure has covers scope, definition, reference, responsibility, activities, supplier information and requirements, purchasing, License, FFB grading, Assessment, FFB Quality, meeting, recording and procedure chart for request. List of FFB third party was available. Furthermore, Mill management unit was able to shows daily and summary records of FFB volume received. For example, during January to October 2017, recapitulation on total FFB accepted from Felda Maokil 3, FTP Lenga, Dealer Bingin Jaya Sdn Bhd, Boustead Eldred and Peneroka Abu Hassan were 94.75 ton; 819.63 ton; 34,881.01 ton; 1,204.27 ton and 824.83 ton FFB, respectively.

<b>Status: Comply</b>
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**4.2**

**Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.**

**4.2.1**

Procedure of soil fertility management was presented in several documents, e.g. No. MLSL (Ed. 2) Vol. I – Sec.5 (1.0 – 8.0) about oil palm manuring (chemical fertilizer); No. MLSL (Ed. 2) Vol. I – Sec.3 (3.0 – 4.0) about EFB application and Felda mulching; Agronomist Recommendation for EFB application in mature areas and Procedure of Leaf and Soil sampling (Manual for Staff). Based on field observation, it was found several strategy had implemented which aims to enhance soil fertility such as: manuring, for example as seen in Block 25 Field PM11M Maokil 7 Estate; EFB mulching application and planting of legume cover crop (LCC) such as *Mucuna bracteata* and maintaining soft grasses on immature and terraces areas as seen replanting area in Field PR17Z. Maokil 6 Estate and Field PR17Q Maokil 7 Estate.

**4.2.2**

Estate management unit was able to shows fertilizer application records. For example, application of 2.00 kg/palm NK Mix 10.5 /30 (AS) on the first round in Field PM00G Maokil 6 Estate was started in February 8<sup>th</sup> 2017 and completed in February 14<sup>th</sup> 2017. Furthermore, application of 2.25 kg/palm NK Mix 10.5 /30 (AS) on the second round in Field PM05I Maokil 7 Estate was started in August 2<sup>nd</sup> 2017 and completed in August 11<sup>th</sup> 2017. According to manuring record in both estates, it was informed that up to June 2017, fertilizer application has in accordance with schedule given by Agronomist from Felda Agricultural Services. Unit

management mentioned that training to fertilizer Applicators was given by Assistant and Foreman through muster morning. Object of training are fertilizer placement and dosage, time of application, PPE used and areas which prohibited to be manured such as riparian zone and conservation areas.

#### 4.2.3

Procedure of Leaf and Soil sampling (Manual for Staff) mentioned that leaf and soil analysis were conducted annually to be used as a basis of annual manuring recommendation calculation. Both analysis were carried out annually by Felda Agricultural Services. For example, average of Total N content on leaf in Maokil 6 Estate for period 2016 and 2017 were 2.43 % and 2.83 %, respectively, and average of B content on leaf in Maokil 7 Estate for the same period were 15.00 ppm and 16.00 ppm, respectively. Furthermore, average CEC of K (meq/100 g soil) on soil in Maokil 6 and 7 Estate for period 2017 were 0.190 and 0.185, respectively. Moreover, nutrient status of palms has also accessed through visual assessment of palm vigour and field condition by Agronomy and President Group task force visit.

#### 4.2.4

Apart from chemical fertilizer application, organic fertilizer through by-product application towards EFB mulching has also conducted to enhance K (potassium) content, organic matters and keep soil moisture. Dosage recommended by Agronomist was 30 ton EFB/ha/year or about 250 kg/palm/year. EFB mulching in immature and mature areas were applied on palm circle; and inter-palms and/or inter-rows, respectively. For example, according to EFB mulching record, up to October 2017, EFB had mulched in Field PM04I, 05J, 08K, 07L and 13V Maokil 6 Estate, with total EFB applied was 321.56 ton, while in Maokil 7 Estate EFB mulching had mulched in Field PM05I, PM07K and PM07L, with total EFB applied was 1,900.00 ton. Furthermore, nutrient cycle has also conducted through decanter cake (solid) application and Palm Oil Mill Effluent (POME) or land application in Maokil 7. Moreover, LCC (*Mucuna bracteata*) planting on replanting areas has also give a rules to enhance N nutrient in the soils, which would be released after palm canopy has fully covered.

**Status: Comply**

#### 4.3

##### Practices minimize and control erosion and degradation of soils.

#### 4.3.1; 4.3.2 and 4.3.6

According to semi detail soil survey and contour map with scale 1:13,500 and 1:35,000; it could be concluded that there were no presence of peat soil and fragile soil within Maokil 6 and 7 operational areas. Maps has informed that 81%, 16% and 3% of estate areas were classified as L/F (flat), M (undulating) and H (hilly) category, respectively. Meanwhile in Maokil 7 Estate, it was informed that 95%, 1% and 4% were classified as L/F, M and H category, respectively. Main limitation of soil properties for oil palm cultivation were mainly due to low fertility and rolling to hilly slope in Field PR14X Maokil 6 Estate ( $\pm 3$  % from total area) and Field PM 00F Maokil 7 Estate ( $\pm 4$  % from total area). To overcome those limitations, several strategy has been conducted by estate management unit, such as:

- To suppress surface run-off and leaching through parallel to the contour line pruned fronds placement on rolling to hilly contour areas.
- Selective weeding which aims to enhance organic matter and retaining soil moisture.
- Soil texture and nutrient recovery through by-products EFB mulching.
- Manuring management through leaf and soil nutrient analysis, which recommended by Agronomist from Felda Agricultural Services team towards nutrient balance calculation method, maximizing fertilizer use efficiency (to choose suitable fertilizers type, time of application and placement).
- For soil and water conservation, planting of land cover crop such as *Mucuna bracteata* has already implemented on immature areas.

Those strategy were confirmed during field observation in Maokil 6 and 7 Estates.

#### 4.3.3

Program of road maintenance is presented in document of "Road Maintenance Period 2017". Activities included are grading, compaction and patching. Those activities was conducted by Local Contractor namely BR Perkasa Sdn. Bhd. Progress has been updated every month. For example, road maintenance in Field PM90B Maokil 6 Estate had conducted in May to August 2017 totaling for about 10,500 m. Based on field observation to Maokil 6 and maokil 7 Estate, it could be concluded that road condition in both Estate were considered satisfactory and easily passable for fruits extraction.

**4.3.4 and 4.3.5**

Based on information from estate management, verification on soil map and field observation, it could be concluded that there were no presence of peat soils within estate operational areas. Hence, these Indicators is not applicable.

**Status: Comply**

**4.4**
**Practices maintain the quality and availability of surface and ground water.**
**4.4.1 and 4.4.2**

Water management plan for year 2017 observed for both estates. Relevant actions implemented and observed during the site observation. Monitoring of rain water also performed accordingly. One river found across the estate. Site observation conducted for the water course and found riparian zone established along the river. . Sufficient signboard and good markers observed along the riparian zone. No evidence of spraying and manuring activity observed along the riparian zone.

**4.4.3**

Mill effluent treatment observed in place, Relevant effluent pond observed. Based on field observations, interview and documents review obtained informations if 100% POME is aplicated to land application. Monthly effluent discharge monitoring performed and found within permissible limit and License from DOE observed and compliance with the requirements. Effluent testing for Facultative pond 2 observed dated 9/10/2017 with reading 142 BOD.

**4.4.4**

Water consumption record available for year 2016 & 2017. Monitoring of water footprint activity stated in the annual report. Control and mechanism of water footprint monitoring well defined. Monthly monitoring observed and reported into Monthly Engineering Department Progress Report.

**Status: Comply**

**4.5**
**Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.**
**4.5.1**

Estate management units has committed to adopting integrated pest management (IPM) which presented in procedure No. MLSL (Ed. 2) Vol. I – Sec. 3 and No. MLSL (Ed. 2) Vol. I – Sec. 4, for IPM in immature and mature palm management, respectively. Estate program for IPM were consist of census of pest (rat, leaf eating caterpillar and Ganoderma), biology control application (planting of beneficial plants, pheromone trap and census and monitoring of barn owl population) and IPM training. Realization of IPM program is presented as follows:

- Pesticide application in Maokil 6 has carried out when census results has above economic threshold level (ETL). According to document review, census, analysis and follow up for leaf eating caterpillar, rhino beetle, rat and Ganoderma were available. For example, up to September 2017, application of Cypermethrin for *Oryctes rhinoceros* population control had applied on replanting areas for about 438.05 ha where ETL >5 %.
- Census of rat has conducted in 235.47 ha in Field PM11M Maokil 7 Estate. Application of rodenticide Butik (Chlorophacinone) were implemented when ETL >5 %.
- Estate management has conducting beneficial plants planting (*Turnera subulata* and *Antigonon leptopus*) for leaf eating caterpillar population control. During 2017, planting of Turnera has been conducted in Block 4 Field PM041 Maokil 6 Estate and Field PR16P Maokil 7 Estate.
- For rhino beetle (*Oryctes rhinoceros*) population control, estate management has adopting pheromone trap as could be seen on replanting areas for example in Field PR17Z Maokil 6 Estate and Field PR17Q Maokil 7 Estate.
- For rat population control, adoption of barn owl (*Tyto alba*) as natural predator has been implemented by both Maokil 6 and Maokil 7 estates. Estate management mentioned that each barn owl box (BOB) is expected to covers 20 ha areas. As per July 2017, average of BOB occupation level were about 50%.

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use Juru 20F (Methyl Metsulfuron) could be substitute with Basta 15 (Ammonium Glufosinat) or Garlon 250 (Triclophyr Butoksi Ester).

**4.5.2**

Estate management unit has conducting several trainings which aims to maintain workers knowledge and skills towards IPM, for example as follows:

- Training on pesticide mixing and safe working practices has conducted on March 28<sup>th</sup> 2017 in Maokil 6 Estate, attended by 2 Staff, 5 Foreman and 24 pesticide Applicators.
- Training on biological control method, HCV (wildlife and buffer zone management) and zero burning has conducted on May 16<sup>th</sup> 2017 in Roll Call Site Maokil 6 Estate, attended by 8 staff, 5 Foreman and 79 workers.
- Safe agrochemicals management has conducted in October 20<sup>th</sup> 2017 by Occumed Consultancy & Services Sdn Bhd. in Maokil 7 Field, attended by 18 workers (include Pesticide Applicators).
- Training on biological control method, HCV (wildlife and buffer zone management) and zero burning has conducted on May 16<sup>th</sup> 2017 in Roll Call Site Maokil 7 Estate, attended by 12 staff and 100 workers.

Based on field observation and interview with Foreman and pesticide applicators in Field PR17Z Maokil 6 Estate and Block 8 Field PM92E-3A Maokil 7 Estate, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example HCV area and riparian zone, as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals.

**Status: Comply**

**4.6**
**Pesticides are used in ways that do not endanger health or the environment**
**4.6.1; 4.6.3**

Procedure No. MLSL (Ed. 2) Vol. I – Sec. 3 and No. MLSL (Ed. 2) Vol. I – Sec. 4 has mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than economic threshold level (ETL). In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micrantha*, the use Juru 20F (Methyl Metsulfuron) could be substitute with Basta 15 (Ammonium Glufosinat) or Garlon 250 (Triclophyr Butoksi Ester). Based on observation to agrochemicals warehouse and record of pesticide application, list of pesticide used by Maokil 6 and 7 are consist of six herbicides (with active ingredients Paraquat Dichloride, Methyl Metsulfuron, Ammonium Glufosinat, Isoprophyl Amine Glyphosate and Triklopir Butoksi Ethyl Ester) and three insecticides (with active ingredients Methamidophos, Cipermethrin and Chlorophacinone). According to the list, it could be concluded that all pesticide used were listed on Approved List of Pesticides Registered for Oil Palm (wef April 2007) "this is to inform that the latest list of pesticides for use in oil palm (food act 1983) is enclosed herewith, Members are advised to use only pesticides which were approved by the Pesticides.

Unit management stated that justification of pesticide uses shall be based on census analysis. For example, application of Cypermethrin for *Oryctes rhinoceros* population control had applied on replanting areas in Block PR17Z Maokil 6 Estate for about 438.05 ha where ETL >5 % and application of Multiphos 60 (Metamidophos) with dosage 10ml/palm has carried out in Field PM07K Maokil 7 Estate where ETL >5%.

Based on field observation and interview with Foreman and pesticide applicators in Field PR17Z Maokil 6 Estate and Block 8 Field PM92E-3A Maokil 7 Estate, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example HCV area and riparian zone, as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals.

**4.6.2**

Record of pesticide used is presented in document of pesticide uses record and monthly manager report or monthly meeting. Estate unit has able to shows pesticide application records from 2012 to 2016. For example, records of pesticide uses recapitulation in Maokil 6 and Maokil 7 Estate for period 2016 are presented as follows:

- GC Paraquat has active ingredient Paraquat Dichloride 13.0 % with LD<sub>50</sub>ORAL: 88 mg/kg in Rats and LD<sub>50</sub>DERMAL: 237 mg/kg in Rabbits, had applied in Maokil 6 Estate for about 0.022 liter/ha or 0.0015 liter/ton FFB.
- Basta 150 SL has active ingredient Ammonium Glufosinat 41.0 % with LD<sub>50</sub>ORAL: 22.35-24.30 mg/kg in Rats and



LD<sub>50</sub>DERMAL: 5,000 mg/kg in Rabbits, had applied in Maokil 7 Estate for about 0.017 liter/ha or 0.001 liter/ton FFB.

#### **4.6.4**

Based on pesticide used records in 2017 for Maokil 6 and Maokil 7 Estate, it could be concluded that there is no pesticides listed in WHO Appendix 1A and/or listed in Stockholm or Rotterdam. However, there was Metamidophos (which classified in Appendix 1B) on agrochemical store but not used by both Estate. Maokil 6 Estate has use Paraquat Dichloride on replanting areas. Estate management has permit of Paraquat Dichloride purchase from Department of Agriculture Malaysia No. JHR/2016/PARA/771(GL) with maximum quota 200 liter and No. JHR/2017/PARA/230(GL) with maximum quota 300 liter. However, based on Paraquat use from January to October 2017, total Paraquat applied in Maokil 6 was 460 liter. Furthermore, based on pesticide uses record in Maokil 7, it was known that there is no use of Paraquat.

#### **4.6.5; 4.6.7 and 4.6.9**

Estate management unit has conducting several trainings which aims to maintain workers knowledge and skills towards IPM, includes safe working practices on pesticide application and handling. Material of training has consist of technical aspect which already mentioned in Safety Data Sheet (SDS) of pesticide products, Hazard Identification Risk Assessment Determining Control (HIRADC) and procedure No. FGVPML3/PK-04 dated April 1<sup>st</sup> 2014 about agrochemical management. Procedure has covers scope of management, definition, technical procedure of chemicals acceptance, moving, storage, delivery and distribution, transportation to the field, safety uses (before, during and after application), mixing, powder pesticide, emergency action, recording management control and disposal. Several IPM and pesticide related training which conducted in 2017 is presented as follows:

- Training on pesticide mixing and safe working practices has conducted on March 28<sup>th</sup> 2017 in Maokil 6 Estate, attended by 2 Staff, 5 Foreman and 24 pesticide Applicators.
- Training on biological control method, HCV (wildlife and buffer zone management) and zero burning has conducted on May 16<sup>th</sup> 2017 in Roll Call Site Maokil 6 Estate, attended by 8 staff, 5 Foreman and 79 workers.
- Safe agrochemicals management has conducted in October 20<sup>th</sup> 2017 by Occumed Consultancy & Services Sdn Bhd. in Maokil 7 Field, attended by 18 workers (include Pesticide Applicators).
- Training on biological control method, HCV (wildlife and buffer zone management) and zero burning has conducted on May 16<sup>th</sup> 2017 in Roll Call Site Maokil 7 Estate, attended by 12 staff and 100 workers.

However, the company has no smallholders' scheme. Hence, training has only available for internal workers.

#### **4.6.6 and 4.6.10**

Procedure of agrochemical management was presented in document No. FGVPML3/PK-04 dated April 1<sup>st</sup> 2014. SOP has covers scope of management, definition, technical procedure of chemicals acceptance, moving, storage, delivery and distribution, transportation to the field, safety uses (before, during and after application), mixing, powder pesticide, emergency action, recording management control and disposal.

Based on interview with store keeper on agrochemical warehouse and hazardous waste warehouse in Maokil 6 and Maokil 7 Estate, the interviewee mentioned that all used pesticide containers were three times rinsed/washed, holed and labelled before stored in the hazardous waste warehouse. Later on those used pesticide containers were transported by licensed forwarders or hazardous waste collector. The amount and type of waste discarded has recorded on the balance report. Furthermore, based on observation to agrochemical store/warehouse in Maokil 6 and Maokil 7 Estate Office, it was found that pesticides were stored properly by adopting first in first out method, grouped into toxicity category, limited accessed and labelled in accordance with its hazardous properties. Furthermore, based on observation to housing areas in both estates, it could be concluded that used pesticide containers were not used for domestic household purposes.

#### **4.6.8**

Based on field observation and information form estate management, it was informed that there were no pesticide application by plane through the air. All pesticides has applied through spraying and trunk injection.

#### **4.6.11**

There is a list of pesticide operator are available in Maokil 6 and Maokil 7. The company has conducted a medical examination for chemical application personnel who work in a high-risk condition one times a year, as required by by relevant regulations (Regulation 26, of the OSHA (Use and Standards of Exposure of Chemicals Hazardous to Health Regulations) 2000). The medical checks has been included the cholinesterase test. While the special medical examination was conducted in August 2017 to all



employees who work with chemicals In Maokil 6 and Maokil 7. The test results showed that all employees who work with chemicals in a healthy condition. Interview with workers known that they are never get experience of occupational injury which caused by chemical such as irritation.

#### 4.6.12

Maokil 6 and Maokil 7 has can show a letter from Estate Manager concerning the prohibition of agrochemical management by female workers who are pregnant and breastfeeding. Based on list and field observation known that there is no female workers who handling pesticides. In addition, audit team also got information that personnel have understood that female personnel cannot work with chemical material if they are pregnant or breastfeeding

<b>Status: Comply</b>
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#### 4.7

**An occupational health and safety plan is documented, effectively communicated and implemented.**

##### 4.7.1

The Company has had commitment and policy regarding to Occupational Health and Safety that re set out in the document of “*Dasar Kualiti, Keselamatan Kesihatan Pekerjaan dan Alam Sekitar*”, date of revision 1 February 2017. The results of field visits in the mill and estate shows the OHS policies have been implemented by the company include the provision of PPE to all workers, regular health examinations, installing signs / OHS warning, and conduct training activities related to OHS aspects. The company also showed the procedures relating to OHS including safety work for harvesting, safety wok for pruning and procedure of Personal Protective Equipment Used. Based on field observation, documents review and interview with managements the company need to consider of OSH procedure referring with Material Safety Data Sheet and Chemical Health and Risk Assestment. OFI 2

##### 4.7.2

The Unit Managments (POM and Estate) has risk conducted risk identification which recorded in Hazard Identification And Risk Assessment 2017. The document is composed to conduct identification and analysis of dangers potential that is probably happened at workplace and the recommendation to reduce the potential of work accident. According to the result of document review and field visit to mill and estate, the management unit has socialized the risk analysis document to all workers Based on interview with Harvester in Maokil 6 and Maokil 7 it is known that he knows the potential occupational risk and how to minimizw the risk. There are also MSDS for agrochemical and PPE signboard in each estate and POM.

##### 4.7.3

The results of field visits, interviews with workers and verification of documents shows that workers have been given training in safe work practices. This was evidenced when the employee can demonstrate how to work correctly and appropriately in accordance with the procedures, for example for mill employees who work at heights has been using body harness. Results of interviews with employees also obtained information that each morning breafing (before work) is always informed / socialized steps of safe work.

Based on field visit in estate and mill and interview with personnel, it is known that the management unit has provided PPE for personnel. For instance, for example the sprayer using personal protective equipment in accordance with specified hazard identification and risk analysis. In addition, employees are also informed about the steps of secure work in each morning briefing before start working. In addition, interview with spraying personnel in Maokil revealed that company would substitute or replace the PPE if there is a damage or broken on the old one. but the company need to improve of Monitoring implementation of PPE for all workers OFI3

To reduce noise exposure, the company has Set the working hours for employees to reduce noise exposure as 1 shift no more than 8 hours, installing the signboard in location with high noise level and area with mandatory use of PPE and monitoring the use of PPE Audiometry test conducted in annual basis, the latest are held on 05 May 2017 for 31 workers and there is no indication of noise exposure. Furthermore the company can show the evidence of HIRARC training specified to workers who exposure to noise for example on 16 June 2017.

##### 4.7.4

The company Holder has guiding committee for occupational health and safety organization and personnel in charge on implementing the occupational health and safety program ie in the document of “*Jawatan Keselamatan dan Kesihatan Pekerja 2017*”. In order to ensure that the OHS program has been implemented effectively, the board of Guiding Committee of Occupational Safety & Health performs regular meeting with workers every 3 months. The meeting is documented in minutes of meeting and

list of attendees.

#### 4.7.5

The company has made efforts to deal with emergencies and accidents with SOP "MENGHADAPI KECEMASAN" No document FGV/ML-1 A/L2-Pr15, dated 1 June 2016 and procedure of "pengurusan KKP" document no.: FGVPM/L2/PP-11, the SOPs completed with the chart. The company has the facilities and infrastructure emergencies such as fire extinguisher, First Aid Kit Boxes, Hydrant, water engine and fire truck. As for the operational activities in the field, supervisors was carrying first aid kits during his work in the field, and mill was also equipped with first aid kits. Based on interview with supervisor, it is known that he understood the first aid mechanism in case of emergency.

#### 4.7.6

The company has been providing accident insurance for their employees in accordance with the conditions Local workers are covered by SOCSO/Perkeso insurance payment performed in monthly basis and foreign workers covered by AIA Insurance valid for one year (extension done by the company before the expiry date). Based on interviews with several employees obtained information that the employee has been registered as a participant of Insurance. Based on documents review there is one work accident that covered by insurance on POM on January 2017. Related that work accident can show the investigation reports and record of claim.

#### 4.7.7

Companies record of work accidents in Work Accident Monitoring report which reports the complete information about accident, such as the month of the accident, number of case, the accident's location, type of accidents, the impact, working hour losses, the accident cause, follow up action and result. There were no accidents since Jan 2017 at Maokil 6 and Maokil 7 but there is an accident on Maokil POM.

**Status: Comply**

#### 4.8

**All staff, workers, smallholders and contractors are appropriately trained.**

##### 4.8.1

The company has had a training program for workers included All staff, Workers and contract workers for period of 2017 which consists of understanding the RSPO, PPE used, chemical managements, first aid kit training, HIRARC and laws, emergency response training. Recording and realization of training programs at are recorded properly. Result of field observation in Mill and Estate and interviews with personals, it is known that the personels has been given training about their job. This was evidence that the personnels have understood their duties and responsibilities and also can demonstrate how to work correctly and appropriately in accordance with the procedures.

##### 4.8.2

The company has had a worker training records for each unit stored in in assessment records document employee training, Based on interviews with workers, it is known that workers have been trained in accordance with the work being performed. Contractors has been involved in several training such as OHS and emergency responses. It was observed that all training records had been properly filed. Based on interviews held with workers, it was revealed that generally the level of their understanding on these subjects.

**Status: Comply**

#### **PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**

#### 5.1

**Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

##### 5.1.1

Environmental Aspect and Impact Register for mill and estates observed. Relevant processes covered in the aspect and impact assessment. Significant environmental aspect and impact for mill and estates identified as:

- a) Black smoke emission
- b) Spillage
- c) Scheduled waste

- d) Waste water treatment plant  
e) Used chemical container

Environmental Management Plan for replanting processes observed. All replanting processes covered during the environmental aspect and impact identification. Relevant SOP developed for each identified significant aspect. Roles and responsibility of relevant personnel defined with relevant action plan.

#### 5.1.2

Relevant management program developed for each identified significant aspect. Targeted completion date observed in the management program. Management program developed for yearly basis. Responsible person identified for each action plan. Thru the site observation, the operation control of significant aspects were well performed.

#### 5.1.3

Monitoring and measuring performed for management program on regular basis. Monitoring report for final discharge point BOD reading observed for year 2017 and updated. All BOD & SS results showed within permissible limit. Action plan for estates reviewed and the progress was in line with planning.

**Status: Comply**

### 5.2

**The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.**

#### 5.2.1

Identification and Management Plan of HCV and Biodiversity have been conducted by internal competence personnel. Summary of HCV Area (based on summary executive HCV assessment report) stated that no HCV was found in Maokil 06 & 07 area. HCV assessment performed with consultation with relevant stakeholder, considering biological record, all planted areas, etc.

#### 5.2.2, 5.2.3, 5.2.4, 5.2.5

Based on documents verifications it's known if there is No HCVs and RTEs identified in the biodiversity report. Based on field observations and interview with stakeholder no evidence of HCVs and RTEs observed. Ongoing monitoring record for wild life and sensitive area observed for year 2017.

**Status: Comply**

### 5.3

**Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.**

#### 5.3.1

Notification of scheduled waste to Department of Environmental observed in the mill. Several type of scheduled waste identified are

- a) SW 102 - BATTERY
- b) SW 110 – E WASTE
- c) SW 305 – engine Oil
- d) SW 306 – Hydraulic Oil
- e) SW 409 – paint container
- f) SW 410 – Spent filter

Empty chemical container identified as waste in the estates.

#### 5.3.2

Schedules waste disposal data observed and inserted into e-swis system. Relevant consignment note observed and all records well kept. All scheduled waste disposed to licensed collectors. Empty chemical container triple rinse before disposed as general waste. Inventory record observed and updated for estates. Proper rinsing facility observed during site observation. Relevant disposal record available.

**5.3.3**

Waste management program observed with disposal of scheduled waste to licensed collector and proper scheduled waste store erected and good store management practice observed. Good labelling practice observed. During field observation the company need to Consideration to improve the handling and storage methodology for used tyre, scrap metal and PKO storage area to prevent potential pollution from occurrence. OFI 4

<b>Status: Comply</b>
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**5.4**

**Efficiency of fossil fuel use and the use of renewable energy is optimised.**

**5.4.1**

Several strategy which already implemented by Estate and Mill are monitoring of fuel consumption, utilizing by-products (kernel and fiber) as source of energy (fossil fuel substitute) and methane capture through biogas plant. Furthermore, Biogas Plant has already implemented by Maokil Mill since 2009 with capacity 465 kWh. Records of several strategy mentioned in the former is presented as follows, for example:

- Diesel consumption in Maokil 6, Maokil 7 and Maokil Mill in September 2017 were 1.22, 0.33 and 0.60 liter/ton FFB, respectively, or totaling about 2.37/ton CPO produced.
- Renewable energy used from fiber and kernel shell during September 2017 were 140 kg/ton FFB (or 741.69 kg/ton CPO) and 25 kg/ton FFB (or 132.45 kg/ton CPO), respectively.

Energy produced from fiber and kernel shell in September 2017 were 638,400 kcal/ton FFB (or 3,382,116.44 kcal/ton CPO) and 758,400 kcal/ton FFB (or 4,017,852.61 kcal/ton CPO), respectively.

<b>Status: Comply</b>
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**5.5**

**Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

**5.5.1 and 5.5.2**

Company policy regarding zero burning was presented in Work Agreement Letter (SPK) between Estate management Unit and Replanting Land Clearing Contractor. For example, SPK No. 5300000889 dated December 21<sup>st</sup> 2016 with Contractor New World Construction Sdn. Bhd. mentioned that land clearing has conducted through mechanical method such as push-felled, chipping and stacking. Furthermore, based on field observation to replanting areas in Field PR 17Z. Maokil 6 Estate (planted in 2017) and Field PR17Q (planted in 2017), it was found that there is no presence of burning activity sign/marks on the ground. Furthermore according to public consultation, it was informed that there were no issues of land burning in Maokil 6 and 7 operational areas.

<b>Status: Comply</b>
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**5.6**

**Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.**

**5.6.1**

The company has able to shows several measurement data related to pollutions towards operational activities. For example, latest testing in 2017 is presented as follows:

- Noise Monitoring; Regulation Ref.: Peraturan-peraturan Kilang & Jentera (Pendedahan Bunyi Bising) 1989; Tested location: Nut Station, Engine Room, Boiler Station, Sterilizer Station, Press Station and Clarification Station; Results: noise parameter tested were above 85 dBA. Hence, the company has provide PPE ear-plug on that particular areas.
- Boiler Emission; Regulation Ref.: Jadual Pemuatan Syarat Lesen Jabatan Alam Sekitar; Tested location: Boiler 1 and Boiler 2; Parameter tested: Particulate, SO<sub>x</sub>, SO<sub>2</sub>, H<sub>2</sub>SO<sub>4</sub> and Opacity. Results: Emission in Boiler 1 and Boiler 2 were below the threshold limit.
- Generator Set Emission; Regulation Ref.: Jadual Pemuatan Syarat Lesen Jabatan Alam Sekitar; Parameter tested: Particulate, SO<sub>x</sub>, SO<sub>2</sub>, H<sub>2</sub>SO<sub>4</sub> and Opacity. Results: Emission in Generator set Station were below the threshold limit.
- Ambient Air Quality; Regulation Ref.: Jadual Pemuatan Syarat Lesen Jabatan Alam Sekitar, Peraturan Udara Bersih; Location tested: Front Office and Employees Housing Complex; Parameter tested: Particulate, SO<sub>2</sub>, NO<sub>2</sub> and Dust. Results: Emission in Boiler 1 and Boiler 2 were below the threshold limit.
- Waste Water Quality Analysis in Effluent Treatment Plant or Waste Water Treatment Plant Inlet and Outlet; Regulation Ref.: Akta Kualiti Alam Sekeliling 1974; Location tested: Effluent Treatment Plant Inlet and Outlet; Parameter tested: BOD, COD,

pH, oil and grease, suspended solids, Ammonia Nitrogen and Total Nitrogen. Results: water quality on the outlet were below the threshold limit.

### 5.6.2

Estate and Mill management unit has identified GHG emission sources, as well as its mitigation plan which issued by Manager, presented as follows:

- **Estate Sources:** Diesel consumption, uses of agrochemicals, uses of chemical fertilizer, organic domestic and others;  
**Mitigation Plan:** monitoring, recording and analysis of diesel consumption for FFB transportation, reduction of pesticide uses (liter/ha) through biological control, reduction of fertilizer uses through by-products application, domestic waste management monthly bases, waste separation (organic and non-organic) and no burning in waste management, paperless implementation (rim/month), recording on recycle (kg/month) and training to the respective worker.
- **Mill Sources:** Boiler, uses of electricity, uses of Diesel, uses of Lubricant, final discharge, effluent treatment plant, composting and empty fruit bunches.  
**Mitigation:** Monitoring and control of emission through maintenance, reduction of electricity consumption, reduction of diesel consumption, reduction of lubricant consumption, land application and EFB mulching.

### 5.6.3

Calculation of GHG emission and its monitoring has conducted by Department of Sustainability & Environment (SED), unit of Certification Due Diligent (CDD). GHG emission has calculated through the RSPO PalmGHG Calculator Version 3.0.1, with summaries are presented as follows:

#### Summary of Net GHG Emissions

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	0.36	OER	19.81	FFB Processed	154,930.00
PK	0.36	KER	4.80	CPO Produced	30,690.31

#### FGVPM Ladang Maokil 6

Land Use	ha
OP planted area	2,530.62
OP Planted on peat	0.00
Conservation (forested)	0.00
Conservation (non-forested)	0.00

#### Summary of Field Emissions and Sinks

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land conversion	26,303.44	9.88	-	-	-	-	26,303.44	9.88
*CO <sub>2</sub> emissions from fertilizer	1,410.01	0.53	-	-	-	-	1,410.01	0.53
**N <sub>2</sub> O emissions	1,056.44	0.4	-	-	-	-	1,056.44	0.4
Fuel consumption	64.09	0.02	-	-	-	-	64.09	0.02
Peat Oxidation	0	0	-	-	-	-	0	0
<b>Sinks</b>								
Crop sequestration	24,932.17	-9.36	-	-	-	-	24,932.17	-9.36
Conservation Sequestration	0	0	-	-	-	-	0	0
<b>Total</b>	<b>3,901.81</b>	<b>1.47</b>					<b>3,901.81</b>	<b>1.47</b>



**FGVPM Ladang Maokil 7**

Land Use	ha
OP planted area	2,482.13
OP Planted on peat	0.00
Conservation (forested)	0.00
Conservation (non-forested)	0.00

**Summary of Field Emissions and Sinks**

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/h a	tCO <sub>2</sub> e	tCO <sub>2</sub> e/h a	tCO <sub>2</sub> e	tCO <sub>2</sub> e/h a	tCO <sub>2</sub> e	tCO <sub>2</sub> e/h a
<b>Emissions</b>								
Land conversion	24,821.25	9.88	-	-	-	-	24,821.25	9.88
*CO <sub>2</sub> emissions from fertilizer	1,803.74	0.72	-	-	-	-	1,803.74	0.72
**N <sub>2</sub> O emissions	1,164.53	0.46	-	-	-	-	1,164.53	0.46
Fuel consumption	37.83	0.02	-	-	-	-	37.83	0.02
Peat Oxidation	0	0	-	-	-	-	0	0
<b>Sinks</b>								
Crop sequestration	23,527.25	-9.36	-	-	-	-	23,527.25	-9.36
Conservation Sequestration	0	0	-	-	-	-	0	0
<b>Total</b>	<b>4,300.10</b>	<b>1.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,300.10</b>	<b>1.72</b>

**FPISB Kilang Sawit Maokil**
**Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	14,092.34	0.20
Fuel consumption	100.73	0.00
Grid Electricity Utilisation	360.16	0.01
<b>Credits</b>		
Export of Grid Electricity	0.00	0.00
Sales of PKS	-8,956.42	-0.12
Sales of EFB	0.00	0.00
<b>Total</b>	<b>5,596.81</b>	<b>0.08</b>

**Palm oil Mill Effluent (POME) Treatment**

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

**POME Diverted to Anaerobic Digestion:**

Divert to anaerobic pond	100.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	0.00 %

**Status: Comply**
**PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills**

**6.1**

**Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.**

**6.1.1**

SIA has been conducted on 11<sup>th</sup> April 2017 (FGVPM Maokil 6) and 12<sup>th</sup> April 2017 (FGVPM Maokil 7) by internal assessor from Certification & Due Diligence (CDD) Unit. This is the re-assessment of Social Impact Assessment for FGVPM Maokil 6, FGVPM 7, and Kilang Sawit FGVPM Maokil. The method of assessment referred to FGVPM Social Impact Assessment Procedure Doc. No.: ML-1A/L2-Pr21 (0). Both assessors of Social Impact Assessment covered all aspect of access and use of rights, economic livelihood, cultural and religious values, health and education facilities, or other community values. The findings of SIA had been documented in the report based on the negative and positive feedback/issues raised and collected during the stakeholder consultation during the assessment and stakeholder meeting dated 3<sup>rd</sup> October 2017. Referred to Rumusan Penilaian Kesan Sosial. Identified significant issues that shall contributed to adverse impact are tabulate in Jadual 1: Pelan Pengurusan Bagi Impak Sosial (SIA Management Plan).

**6.1.2**

Attendance list with completed questionnaire as evidences that the Social Impact Assesment is being done in a participatory ways with the affected parties. The interview sessions at FGVPM Maokil 6 had been done on 11<sup>th</sup> April 2017 that inclusive of internal stakeholders (Loose Fruit Collectors, Manures, Harvesters, Office Clerk, Auxiliary Police, Medical Assistants) and external Stakeholders (Sundry Shop Owner, Tadika KEMAS Staff, Food Stall Owner (Peniaga Kedai Makan). There is also an interview sessions at FGVPM Maokil 7 been done on 12<sup>th</sup> April 2017 inclusive of internal stakeholders (Loose Fruit Collectors, Manurers, Harvesters, Office Clerk, Auxiliary Police, Medical Assistants) and external Stakeholders ( Indonesian workers, Bangladeshi workers, Contractors, nurse clinic, office staff, KKD , groceries store. Sighted the workers profile at the estate include Felsco, piece rate workers (42 persons) Felda Security workers, Bangladeshi workers head, and local workers. There was a stakeholder meeting for internal and external stakeholders been held at Complex Maokil Hall dated 3<sup>th</sup> October 2017 inclusive of external stakeholders from government agencies, NGOs, contractors, settlers leader, contract lorry drivers, and FGV/FELDA representatives

**6.1.3**

There is SIA Management Plan available with 8 issues (FGVPM Maokil 6), 7 issues (FGVPM Maokil 7) and 8 issues (Kilang Sawit FGVPM Maokil ) raised and being tabulate in the SIA Management Plan.

All the issues being monitored accordingly on monthly basis upon completion. All completed issues are provided with sufficient evidences and verified by the Manager of each estate. The Social Impact Assessment Report distributed to estates and mill on 12<sup>th</sup> October 2017. Management Plan is being updated on yearly basis during SIA assessment.

Sighted also the table of evaluation of significant impact :

- 1) Emergency : to be settled the issues less than 6 months
- 2) Short term : to be settled the issues not more than a year
- 3) Midterm : to be settled the issues less than a year and 6 months
- 4) Long term : to be done in 2 years time

The person that responsible for the implementation of social plan has been Assigned (estate manager and assistant manager) related to the cases in the estate

**6.1.4 and 6.1.5**

The Social Impact Assessment Report distributed to estates and mill on 11, 12 and 13<sup>th</sup> October 2017. Management Plan is being updated in a yearly basis. The management of FGV Maokil mill and estate had monitored the management plan for Social Impact Assessment 2016/2017 based on input from stakeholder (workers and community/smallholder member). The company had made and analyses impact social in the estate that include the positive and negative aspect in the FGV Maokil. Summary of assessment of impact had been listed down into emergency, short term, mid term and long term. Plans have been developed in management plan to reduce the impact in the action plan needed, e.g :

- Explanation to the contractors related to the process
- Usage of motorcycle not against the law

The evaluation of social impact management plan conducted ones a year, the last evaluation was April 2017. The certification

scope for FGV Maokil complexes was not include the smallholders.

**Status: Comply**

## 6.2

**There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.**

### 6.2.1

List of Stakeholder dated January 2017 is available in listing identified internal and external stakeholders such as Government Agencies, Schools, Contractors, Auxiliary Police, and Head of Villagers for FGVPM Maokil 6, FGVPM Maokil 7, and Kilang Sawit FGVPM Maokil.

Sighted "Prosedur Komunikasi, Penglibatan dan Rundangan" No Doc.: ML-1A/L2-PR3(1) dated March 2012 detailed out open and transparent method for communication and consultation in between estate/mill and interested/affected parties. Impact Social Procedure has been developed by the FGV Document No. (FGV / ML – 1A/ L2 – Pr21) effective dated 1<sup>st</sup> June 2016: including the objective, scope, responsibility of officer, JCC Chairmain, all managers, definition SIA, and complete procedure of SIA. Sighted also there are suggestion box and complaint logbook available at each estate and mill. Internal and External Communication Procedure is in Bahasa Malaysia.

A Stakeholder Meeting "Majlis Perjumpaan Bersama Pihak Yang Berkepentingan/Stakeholder" had been held on 5/10/2017 attended by Government Agencies, Contractors, Head of Villagers, Schools, and other identified parties. According to the meeting minutes, all identified stakeholder had been explained with Standard Operating Procedure (SOP) and Policies on communications and consultation

### 6.2.2 and 6.2.3

The management unit had appointed Assistant Manager of FGVPM Maokil 6 as person in-charge in handling social issues and official appointment letter are available "Perlantikan Sebagai Pegawai Bertanggungjawab bagi komunikasi and sosial" for FGVPM Maokil 6. HEP Staff and Assistant Manager has been appointed as person in-charge in handling social issues and official appointment letter are available "Perlantikan Sebagai Pegawai bertanggungjawab bagi komunikasi and sosial" at FGVPM Maokil 7. Office Staff appointed as person in-charge in handling social issues and official appointment letter are available "Perlantikan Sebagai Pegawai Bertanggungjawab bagi komunikasi and sosial" in FGVPM Maokil Mil.

Based on the appointment letter, the appointed person job description on overall internal/external communications inclusive of :

1. Request of responses and feedback with external stakeholders
2. Any grievances and discussion with external stakeholders.
3. Informed the management regarding the activities with external stakeholders.
4. Any related social issues internal and externally with other parties

Copies of appointment letters are displayed at roll-call ground and informed to workers and staff during morning briefing. There is List of Stakeholder for 2017 established by both estates. Suggestion box is available at estate office as a medium of communication for any comment/feedback from stakeholders at FGVPM Maokil 6 and 7. Based on interview with the representative workers the company should to Consideration to improve effectiveness of communication related to procedure and new information to the workers OFI 6

**Status: Comply**

## 6.3

**There is a mutually agreed and documented system for dealing with complaints and grievances, which is Implemented and accepted by all affected parties.**

### 6.3.1

The management unit of FGV Maokil 6 and Maokil 7 has Procedures of Complaint and Grievances Handling (Number: ML - 1A / L2 – Pr13, 1 June 2016). The procedure aim to resolve all complaints and grievances fairly and to maintain good relations between the company and other parties. The company was installed complain box in in each estates and mill. Management unit also have records of complain in log book. Sighted the document related to the procedure :

- Objective
- Scope of communication

- Responsibility
- Definition : complaint and grumbling
- Internal communication procedure
- Method of communication to the workers – through the posters, morning meeting
- Communication workers to the management
- Communication to the external workers
- Communication to the head quarters
- Communication with media
- External information to the outside
- Involvement and discussion

### 6.3.2

Based on the interview made, the workers are aware related to the communication procedure and who to complain and made when they have an issues or complain regarding the company operation and management.

The system had been developed to ensure the complaint and grievances has been resolved in time and appropriate manner. Internal report procedure is once the report has been logged in, the report will be discussed with the executive less than 7 days the date of report made → after executive report made will be transfer to the head of department → will be settled in 14 days → in management unit level → then report made to the company and parties (union) settled in 21 days.

Sighted a policy of the right of freedom and joining the association .The policy has been developed by Kumpulan FGV in regards of procedure giving information dated 24<sup>th</sup> February 2015, policy and procedure of giving information, preparing the mechanism format to raise out their concern , prepared the protection for the whistleblowers, with good instinct and the mechanism for the management department to act upon the report been made. The policy of joining parties also made available.

FGV management allowed their workers and staff to raise out the concern and does not prevent individuals from joining the unions or other registered unions and obtaining the permission in existing FGV group. The management unit also prepared a report book related to any complain made by the workers and based on the document verification, most of the complaint and report are related to the repairing of broken houses. There is documented record from the workers regarding the new payment system in the company. The compliant and grievance has been recorded in “buku aduan” report and the issues between the management and workers had been clearly explained during the meeting with the workers involved dated 28<sup>th</sup> August 2017 in Meeting room FGVP Maokil 7. 20 workers had attended and the manager had clearly explained the issues to the workers regarding new rate “Kadar Upah Kerja” amendment no. 5 which explained the rate of FFB per tonned from January to July and August to December 2017. But the company need to ensure the consistency of implementation documented complain and grievances related to the workers and stakeholders OFI 7

**Status: Comply**

### 6.4

**Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

#### 6.4.1

FGVP (M) has Procedure for Knowing Legislation and Land Conflict Resolution (Number: ML1A/L2/Pr10, 1 June 2016. These procedures as a guide to resolve problems of land boundaries among company and local communities related to legal or customary rights.

#### 6.4.2 & 6.4.3

Based on documents verification, information from staff of plantation and stakeholder consultation was known that there is no compensation processes in Maokil 6 and Maokil 7.

**Status: Comply**

### 6.5

**Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.**

#### 6.5.1

The type of employment in the company is local workers (permanent) and foreign workers (contractual). Pay and condition are describes in each employment agreement (Clause 7: pay and conditions provided in labour laws, union agreements or direct contracts of employment comply with the decent living wage as provided. According to the Employment Act 1955 and wage-define letter from HRM. There is circular letter number no. FGVH/AOM.03 (32) date 1 August 2016 on the implementation of the minimum wage, that from 1 July 2016, the minimum wage will be implemented in accordance with the section of 23 of *Akta Majlis Perundingan Gaji Negara*, which defined based on region of Malaysian peninsula RM1000 (per month) and Sabah/Sarawak/Labuan RM920 (per month).

Based on interview with employee in mill, estate, representative workers from India, Bangladesh, Indonesia and Local, Gender Committee known that company has paid the employees wage in accordance with applicable regulation, payment of wages has been held in accordance with the mechanism mentioned in employment contracts and company regulations. Moreover, interview with contractor also revealed that they received salary no less than government regulation's amount. Based on overtime record The calculation of overtime has been met the applicable regulation, procedure and Company regulations

### 6.5.2

Employment payment and conditions explained in the document of collective agreement 1 Jan 2016 – 31 Dec 2018 namely "*Perjanjian kerja bersama antara Felda Palm Industries Sdn Bhd dan kesatuan pekerja-pekerja Felda Semenanjung*", which is written in Bahasa. These agreements cover terms of services, salary, allowances, monetary and medical benefits, confirmation of post, salary scale, transfer, retirement, working hours, overtime, traveling claims, subsidies (housing loan, electricity supply, water supply), leave entitlement, discipline and formation of a committee at the headquarters and regional levels.

As for foreign workers, there are a signed agreement/contract for each employee for period of 2 years and renewed from year to year (not exceeding 10 years), covering the terms of : type of work and location, working hours, salary/wages, accomodation, transportation, health and medical examination, work equipment and appliances, passport and permit, employee insurance, employee's leave, death of employee, keeping of employees passport (only for safety reason, employees may obtain the passport from the employer as a valid travel document if necessary), code of conducts, termination of contract, safety health guide.

The employment contract is in a language understandable, written in Bahasa for Indonesian works, written in Hindi for Indian Workers and Written in Bengali for Bangladesh Workers. Based on iterviews its known if the copies are available for both parties, (the workers and company). Based on the interview with employees is known that the employee has had a copy of the work agreement and has understood the agreement

### 6.5.3, 6.5.4

During the field visit to employee's housing complex at Maokil 6, Maokil 7 and Maokil POM , it was observed the the housing complexes is up to the standard, Sighted 12 person in a hostel. Everybody has their own bed and locker. Housing area complete with electricity and clean water supply. Sighted also the bath room, 12 bathroom for 2 hostel. Proper disposal of domestic waste sighted at the hostel area, including the black bin. There is also surau and worship area in the hostel First aid kit provided at each hostel including fire extinguisher. water supplies by government water, electricity provided by government and place for worship (mosque and surau). for medical facility there is a clinic with 2 nurses working in the clinic and only treat a minor injury and normal diseases. The clinic will cater Felda Maokil 1, 2, 3, 4 and FGV Maokil 6 and 7. The clinic also treat pregnant woman and serious case will be send to Klinik Kesihatan Chaah, Segamat.

The company provides a store (kedai runcit) on each estate that provides basic need at an affordable price. In addition there is transportation facility (bus/van) if employees want to shop for daily needs outside / nearby markets. The company also provide a daily bus transportation to the school (primary and secondary school) at aokil van provided is new and in a good condition. From the interview with the workers, they are happy working in the estate and the cooperation between the workers and management is very good.

<b>Status: Comply</b>
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### 6.6

**The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.**



**6.6.1 & 6.6.2**

There is a policy in freedom of association namely *Polisi Hak Kebebasan Bersuara & Mengangotai Kesatuan*, signed by President & CEO FGV dated 01.06.2014. The policy mentioned it was stated in the policy that FGV Workers and Staff are allowed to join a registered association. The management practice freedom of speech (align with the local law) and do not stop individual to join Worker Union or any other association that has received approval from FGV.

Based on documents verifications and interview with representative workers from Malaysia, India and Bangladesh its known if there is no workers associations. But the company has been facilitated the workers to bargain collective with their employer through JKPP (*Jaminan Kebajikan dan Keselamatan Pekerja*) which consists of representatives of the company (management) and workers representatives include local workers, Indian workers, Indonesian workers, Bangladesh workers and contractors workers. Periodically every 3 months JKPP conduct regular meetings with the agenda discussed on aspects of employment or other issues that arise.

<b>Status: Comply</b>
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**6.7**

**Children are not employed or exploited.**

**6.7.1**

There is company policy on the prohibition of child labor does not justify individuals under the age of 18 taken to work in accordance with applicable law), stated in the document "polisi pekerjaan kanak-kanak", signed by President & CEO FGV on 1 June 2014. Consistent between document verification (employee' master list), there is no found any workers who is under the age of 18 (the minimum working age under Malaysian Labour Laws Act A1238) being hired by the company. Based on field observations in Maokil POM; Maokil 6 and Maokil 7 there is no employee under 18 years old. Interview with workers are held and they are aware regarding to the minimum age for employees to be hired is 18 years old.

<b>Status: Comply</b>
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**6.8**

**Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.**

**6.8.1**

An equal opportunities policy in *Bahasa Malayu* stated in the document of "*Polisi Kesetaraan Peluang*" dated 01 June 2014 who mentioned there is no discrimination against workers based on nationality, religion, disability, gender, political parties and age". Based on interview with workers during field observation this policy has been socialized to workers during the roll-call and displayed in the work-station, housing notice board and office's information board. Based on interview with workers from Indonesia, India and Bangladesh obtained information also reveals that there is no indication of discrimination against employees

**6.8.2, 6.8.3**

There is no found any discrimination to the employees based on gender, religion, race, country and ect, all workers (local or migrant) were covered by the same payments and conditions of employment. This was confirmed during random interviews held with the workers, also confirmed that there is no complaint and grievance raised in regard of discrimination.

Interview with recruitment officer obtained information if that the selection process and recruitment of candidates is done in accordance with the applicable procedures in the company, starting from medical examinations, the signing of the agreements, the evaluation of the performance, until the appointment becomes permanent workers.

<b>Status: Comply</b>
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**6.9**

**There is no harassment or abuse in the work place, and reproductive rights are protected.**

**6.9.1 & 6.9.2**

The company has had the policy on on sexual harrasment and violence as well as the policy for reproductive rights, those documents was signed by the President & CEO FGV on 1 June 2014. Gender committee has established in each unit as an organization to manage the complaints of women workers in the event of sexual harassment and violations of reproductive rights. There is a program of gender committee among others socialization of policy, gender committee meeting, counseling and policy, economic household program and mutual assistance. Based on interview with workers and committee gender, the policy had disseminated to workers through gender committee meetings with workers.

**6.9.3**

Protection of anonymity and protect complainants contained in the “mekanisme aduan gender” document no.: FGV/ML-1A/L2-Pr14, no issue 1, effective date 1 June 2016. Based on interview with gender committee, confirmed that there is no issues and report regarding to sexual harrasment, productivity rights and other issues related. Interview with female workers and committee gender obtained information if the female workers given specific break times to enable effective breastfeeding for their baby

**Status: Comply**

**6.10**

**Growers and mills deal fairly and transparently with smallholders and other local businesses.**

**6.10.1 & 6.10.2**

Pricing mechanism is determined by Malaysian Palm Oil Board (MPOB). The management of Palm Oil Mill can access the price standard for everyday by MPOB website. The standard of FFB price was put on Palm Oil Mill board announcement and it can access by all outsider supplier. There in an evidence of FFB pricing by MPOB: Daily price of FFB has been determined by MPOB – divided into Northern Region, Southern region, Central region, East, Sabah, and Sarawak.

Sighted the pricing of FFB been displayed at the mill reception weighbridge and the pricing of FFB from MPOB dated 1<sup>st</sup> October 2017 for until 24<sup>th</sup> October 2017 including region per % :

- i) Utara 31.00 B : 30.20
- ii) Selatan 31.50 B : 30.20
- iii) Tengah 31.00 B : 31.00
- iv) Timur 31.00 B : 30.20
- v) Sabah 27.50 B : 26.30
- vi) Sarawak 26.70 B : 26.70

Evidence date : 25 October 2017 (in RM) : sighted the evidence of price:

- Rm 31.50 for internal FBB – FTP /Settlers / A grade and
- RM 30.50 for B grade – FGV / Dealer / external supplier

**6.10.3**

Management unit of mill and estates has been showed of Work Agreement between FGVP (M) with the local contractor, such as 2017 between Maokil 6 Estate and local contractor for transport FFB. Based on record of payment it is known that payment has been made in accordance of agreement. Mill also can show evidence of payment record for FFB purchasing from independent traders, such as:

- Sighted the sample of “Akuan Penerimaan BTS luar” dated 25 October 2017 including lorry no JJW9153, Amounted RM 19146.00 to Bingan Jaya Sdn Bhd – license MPOB 000706-103000 at FGVPM Maokil POM, receipt of acceptance of FFB from Bingan Jaya by driver for JJW 9153 (lorries no)
- Sighted the mill receipt of “Akuan Penerimaan BTS” from Felda Kemelah amounted RM 4485.47 to Mr Sulaiman bin Mohamad rm 4485.47 no MPOB 500869002000, receipt of acceptance of by– lorry number JLG 429 driver of Felda Kemelah Segamat Johor (FTP)
- Sighted the receipt form FGVPM to FTP Chemplak Barat, license MPOB 500868102000 driver amounted RM 3568.79 dated 25 October 2017

The payment will be done through cheque and collected at office in Segamat region. The payment made every week and all the payment done by Headquarters of FGVPM to the regional office.

**6.10.4**

There is the evidence of payment to smallholders/grower: dated 7<sup>th</sup> September 2017 to account number 6041075 Bank Maybank Segamat amounted RM 9,155.95. Sighted also the dated of payment from FGV from 3 September 2017 until 5<sup>th</sup> September 2017 that include details of :

- i) No Pass
- ii) No lori
- iii) Grade average
- iv) Jumlah BTS
- v) FFB price
- vi) Gross value
- vii) Premium

- viii) Young frond
- ix) Value buy

The payment had been verified by Manager of FPISB Kilang Sawit Maokil. Payment has been by cheques and sighted the cheque number 350188631 to FGVPW Wilayah Segamat will be paid every week and the smallholders or supplier will collect at the regional office.

**Status: Comply**

## 6.11

**Growers and millers contribute to local sustainable development wherever appropriate.**

### 6.11.1

There is contributions given by the management to the community lived around the Maokil Complex. There is also Corporate Social Responsibility for Maokil 6 such as van provided transportation to the school. In Maokil 7 Sighted the contribution for :

- Sighted the Sambutan Hari Raya Peringkat sekolah and requested contribution from estate manager Felda Maokil 6 : dated 13<sup>th</sup> July 2017 , Thursday by Yang Dipertua PIBG SK SLTP Maokil 1
- Sighted the approval of sports day for Maokil 7 dated 25 mac 2017 total RM 2740.00 has been approved by General Manager of FGVPW Segamat region
- Sighted the contribution to the student of primary school and sscondary school dated 25 January 2017 amounted 350.00 (sumbangan kebajikan pekerja) to the wrokers rm 250.00 on the same date

For instance, festive season contribution, schooling facilities, scholarship and medical assistance. Based on the documentation review, there is some contributions given by the management to the contributions of the local communities.

### 6.11.2

The certification scope is not include the smallholder.

**Status: Comply**

## 6.12

**No forms of forced or trafficked labour are used.**

### 6.12.1, 6.12.2,

There is no found any substitution contract, as in the work permit and contract are written for plantation workers and its in accordance with the result of interview with workers. *Procedure of foreign workers intake to the Estate.*, No. ML-1A/L5-AP10(0), dated 1 June 2016:

1. List of workers from Visa will be send to the supplier for the consulate Malaysia in their own country. Foreign workers will sign the agreement letter, working contract with FGVPW in their own country. Foreign workers will be induction course at their own country. JTK will informed the arrival of workers to the estate department.
2. Workers will be transferred to One Stop Center at Nilai, Negeri Sembilan, giving induction and FOMEMA inspection for 3 days.
3. Arrival list formed will be given to the workers once they arrived at the estate by
4. Transferee of workers to the estate will be arranged by Department of workforce (JTK)
5. Toiletries will given at one stop centre (toothpaste, soap, towel)

There was showed evidence Policy of Foreign Worker Requirement (approved by President & CEO FGV, dated 01 June 2014). The procedure was explained of basic salary based on Minimum Wage in Malaysia and the early training for the workers in related to language, Health & Safety, Labor requirement and culture sensitive. There is also SOP of "*Prosedur Kemasukan Pekerja Asing ke Ladang*", No. ML-1A/L5-AP10(0), dated 1 June 2016 that mentioned "Workers will be transferred to One Stop Centre (OSC) for induction course and health inspection FOMEMA for 3 days"

The company have been provided a locker (safety box) at the entrance of the estate office for foreign workers to safe keep of their passport. The locker's key holds by individual worker. Based on the interview, there is no contract substitution occurred and the workers are only sign the agreement once they reached at the respected estate only.



**Safety box for passports foreign workers**

**6.12.3**

FGV has a Policy of Human Right (approved by President & CEO FGV, dated 01 June 2014). These document as Felda commitment to consent for support and protect of human right as a corporate responsibility. There is a policy on Human Rights that has been communicated to all level of the workforce by making the public at the office and certain parts of the estates and office. The manager and assistant manager have the task to communicate to all the workers and external party in each of their unit management. FELDA will also involve with the effort of supporting and also take part in various activities to support corporate social responsibilities to respect human rights

	<b>Status: Comply</b>	
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**6.13**
**Growers and millers respect human rights**
**6.13.1**

There has an evidence Policy of Foreign Worker Requirement (approved by President & CEO FGV, dated 01 June 2014). The procedure was explained of basic salary based on Minimum Wage in Malaysia and the early training for the workers in related to language, Health & Safety, Labor requirement and culture sensitive. FGV has have Policy of Human Right (approved by President & CEO FGV, dated 01 June 2014). These document as FGV commitment to consent for support and protect of human right as a corporate responsibility. The manager and assistant manager have the task to communicate to all the workers and external party in each of their unit management. FGVP will also involve with the effort of supporting the human rights amongst their own staff and workers are also take part in various activities to support corporate social responsibilities to respect human rights. Sighted the human right policy had been displayed a muster roll call, office and at the Hostel area. The workers are concern regarding the policy available at the estate and mill.

**6.13.2**

Not applicable, since the audit held in Semenanjung Malaysia.

	<b>Status: Comply</b>	
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**PRINCIPLE #7 Responsible development of new plantings**
**7.1**

**A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting

	<b>Status: Comply</b>	
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<b>7.2</b>	<b>Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	<b>Status: Comply</b>	
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting. Identification and Management Plan of HCV and Biodiversity have been made by Plantation Sustainability and Quality Management (PSQM) FELDA on January 2017. No HCV were identified within this area. A report on liability disclosure had been submitted to RSPO on 2015.	
	<b>Status:</b>	
<b>7.4</b>	<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	<b>Status: Comply</b>	
<b>7.5</b>	<b>No new plantings are established on local peoples' land without their 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.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	<b>Status: Comply</b>	
<b>7.6</b>	<b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	<b>Status:</b>	
<b>7.7</b>	<b>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	<b>Status: Comply</b>	
<b>7.8</b>	<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
	No establishing new plantings operations in Maokil complex. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		



**8.1**

**Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.**

The company can show the evidence of continuous improvement in key area activity, for example:

**Enviromental Aspect**

- Installation Biogas Plant as implementation to reduce of GHG

**Worker Welfare**

- Provide a safety box for passport keeping for foreign workers
- Work agreement for foreign worker in worker country origin language

**OSH Aspect**

- Conduct internal audit for OSH annualy

**Status: Comply**

**3.2. Summary of Assessment Report of Supply Chain Requirement**

Clause	(Module E) CPO Mills - Mass Balance Requirements
<b>E.1</b>	<b>Definition</b>
<b>E.1.1</b>	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>Based on FFB received record data for last 12 months, Maokil POM is receiving FFB from many suppliers. This is the reason that Maokil POM will be applied Module E: CPO mills – Mass Balance. During this audit, Maokil POM has not been certified, however this unit has had projection plan that supply bases within this certification scope will be determined as Certified sources.</p>
	<b>Status: Comply</b>
<b>E.2</b>	<b>Explanation</b>
<b>E.2.1</b>	<p><b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</b></p> <p>During this audit, Maokil POM has not been certified. The estimated product of CPO and PK is available within this report (point 1.8.4 page 10-11), following:</p>
	<b>Status: Comply</b>
<b>E.2.2</b>	<p><b>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</b></p> <p>Maokil POM cannot show the evidence that meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim). <b>Based on that explanation, raised the Non-Conformance No 2017.02 with Major category</b></p>
<b>E.2.2</b>	<b>Status: Non-Conformance No 2017.02 with Major category</b>
<b>E.3</b>	<b>Documented procedures</b>
<b>E.3.1</b>	<p><b>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</b></p> <ol style="list-style-type: none"> <li><b>Complete and up to date procedures covering the implementation of all the elements in these requirements;</b></li> <li><b>The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</b></li> </ol> <p>Maokil POM has had procedure for the implementation of supply chain in the SOP Perkilangan untuk ematuhan sistem pensijilan RSPO SCCS (Mass balance) (FGVPM-RSPO SCCS, No. Isu 2; No Rev 1.0; 1 Mac 2017). The document contains of:</p> <ol style="list-style-type: none"> <li>Management Functions &amp; Job Descriptions: Mill Manager, Assistant Mill Manager, Weighbridge Clerk, Laboratory Analyzer, Traceability.</li> <li>Mass Balance, Supply Chain Verification, Claim: MB Reporting of Certified CPO/PK.</li> <li>Supply Chain Verification – FFB Delivery Plantation to Mill.</li> </ol>

4. Supply Chain Verification – CPO/PK Delivery Mill to Customer.
5. Claim
6. Record Keeping.
7. Training.

Maokil Pom already conducted RSPO SCCS training on 13 October 2017 with the participants are 07 Persons.

**Status: Comply**

### **E.3.2**

**The site shall have documented procedures for receiving and processing certified and non-certified FFBs.**

Maokil POM has had SOP for Mill RSPO Supply Chain Certification System. SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. To find the source of FFB comes from the estate that has been certified with RSPO and then it's stamped with "RSPO Certified FFB" on the FFB Consignment Note and weighbridge ticket.

**Status: Comply**

### **E.4 Purchasing and goods in**

#### **E.4.1**

**The site shall verify and document the volumes of certified and non-certified FFBs received.**

Maokil POM has not been certified. However, this facility has had procedure regarding Supply Chain System which contains of separation material Certified and Non-Certified.

**Status: Comply**

#### **E.4.2**

**The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.**

Maokil POM not certified yet and this standard will be verified after mill has been certified. FGVP (M) has had SOP for Mill RSPO Supply Chain Certification System which describe that mill has daily report which infor FFB input, mill only can sell the certified product from positive stock and shown in mass balance record, mill need to report to CB immediately if there is overproduction from projected production.

**Status: Comply**

### **E.5 Record keeping**

#### **E.5.1**

- a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.
- b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)

Maokil POM has not been certified. So, the Mill was unable to demonstrate record and balance for the certified product in three monthly bases.

**Status: Comply**

#### **E.5.2**

**In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.**

Maokil POM does not have Kernel Crushing Plant

**Status: Comply**

**3.3 Conformity Checklist of Certificate and Logo Use** *(Only apply for Surveillance Assessment Report)*

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ST-2</b>	Will be verify during Annual Surveillance Assessment The company does not use RSPO logo.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or √</b>
<b>ST-2</b>	Will be verify during Annual Surveillance Assessment The company does not use RSPO logo.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or √</b>
<b>ST-2</b>	Will be verify during Annual Surveillance Assessment The company does not use RSPO logo.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or √</b>
<b>ST-2</b>	Will be verify during Annual Surveillance Assessment	√
	<b>Status:</b>	

### 3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Felda Global Ventures Holdings Berhad against the rules for partial certification was determined through Self Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below

Felda Global Ventures Holdings Berhad Time Bound Plan is explaining in table 1.10. Felda Global Ventures Holdings Berhad run seventy two (72) mills and Seventy Five (75) Complex in Malaysia and Indonesia and no one has achieved RSPO certified. Felda Global Ventures Holdings Berhad has informed the Time Bound Plan progress, MUTU has considered that Felda Global Ventures Holdings Berhad is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Felda Global Ventures Holdings Berhad on 2017 approved by FGVP (M).

Felda Global Ventures Holdings Berhad has appointed Control Union Certification Body to conduct uncertified management units as partial certification and the report has been issued and used by MUTU to complete this assessment report.

MUTU Auditor has verified company partial certification report and concludes that:

- There is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company Group/Holding Statement:</b> Yes, there was an internal audit and has positive assurance statement.</p> <p><b>Auditor Verification:</b> Yes, at the current status only 16 complexes already have internal audit in year 2016. Seen the internal audit done by Certification &amp; Due Diligence (CDD) Department. The NC during the audit still in progress to close. All certification bodies that will do the audit for FGV need to verify those NC. Others complex will do as per their time bound plan. Overall findings is positive as per before.</p>
2.2.2	<p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b></p> <p><b>Auditor Verification:</b> As per this year audit, there has been no replacement of primary forest area. However, there is one issue reported by Chain Research Reaction regarding HCV clearance in Kalimantan.</p> <p>FGV already brief this issue to RSPO secretariat. All details summary as per below:</p>



		HCV clearance Kalimantan reported by Chain Research Reaction		
		ISSUE	ACTION PLAN PROGRESS	DATE OF COMPLETION
		HCV clearance at PT CNP and PT TAA	Engaged independent consultant for ground investigation	20 April - 4 <sup>th</sup> May 2016
			Investigation finding presentation to FGV management	9 <sup>th</sup> May 2016
			Brief presentation to RSPO on the investigation findings	10 May 2016
			Letter to stop all operation in HCV area	10 May 2016
			1st Public statement on HCV clearance at PT CNP and PT TAA on FGV website	22 <sup>nd</sup> May
			Discussion on Conservation and remediation plan with RSPO technical Director	23 May 2016
			2nd Public statement on HCV clearance at PT CNP and PT TAA on FGV website	25 May 2016
			Sent a letter to RSPO on action plan for PT CNP and PT TAA	27 <sup>th</sup> May 2016
			3rd Public statement on HCV clearance at PT CNP and PT TAA on FGV website	15 June 2016
			Develop the Conservation and Remediation plan and relevant SOP	1 <sup>st</sup> July 2016
			Appointment letter to engage independent external social mediator to handle negotiation with	1 <sup>st</sup> July 2016

			affected communities	
			Conducted social mediation and engagement with affected communities	18 July to 30 July 2016
			Consultation with FGV legal department on local national regulation. Found that the area (PT CNP and PT TAA) were outside the Indonesia Peat Moratorium no. X (10)	30 July 2016
			4th Public statement on HCV clearance at PT CNP and PT TAA on FGV website	12 August 2016
			Sent the progress of action taken to RSPO using SRT V	19 August 2016
			Sent out the Conservation and remediation plan to PT CNP and PT TAA for implementation	7 Oct 2016
			Meeting with RSPO Technical Director and RSPO Complaint Coordinator on PT CNP and PT TAA issue	14 Oct 2016
			Sent the progress of action taken to RSPO using SRT V	17 Oct 2016
			5th Public Statement on HCV clearance at PT CNP and PT TAA on FGV website	5 Nov 2016
			Meeting with RSPO secretariat on Compensation Panel feedback and our complaints on	25 Nov 2016

			HCV updates in WSJ complaint update	
			Received comment and recommendation from RSPO compensation Panel on PT CNP	1 Dec 2016
			Meeting with the FGV Kalimantan at PT CNP office for further engagement with ELC/Aidenvironment and Aksenta	13 Dec 2016
			Meeting on new revised Indonesia regulation PP57 and PP 71 with Badan Lingkungan Hidup dan Kehutanan as well as with Dinas Perkebunan Kalimantan Barat	14 Dec 2016
			Meeting with ELC/AIDH and Aksenta on new proposal to include Aidenvironment proposal for our Landscape conservation plan	14 Dec 2016
			Meeting with PERMADA (Persatuan Madura & Dayaks) on their request to develop the HCV area	15 Dec 2016
			Site visit to PT CNP and PT TAA with Kalimantan team	15 Dec 2016
			Finalizing the next action for conservation engagement with ELC/AIDH and Aidenvironment	16 Dec 2016
			Kalimantan operation to seek an	In progress

		<table> <tr> <td></td><td>area with local Bupati to replace the cleared HCV area</td><td></td></tr> <tr> <td>REVIEW HCV ASSESSMENT</td><td>6th Public Statement on HCV clearance at PT CNP and PT TAA on FGV website</td><td>10 Feb 2017</td></tr> <tr> <td></td><td>PERSADA meeting with RSPO Jakarta</td><td>9th Mar 2017</td></tr> </table>		area with local Bupati to replace the cleared HCV area		REVIEW HCV ASSESSMENT	6th Public Statement on HCV clearance at PT CNP and PT TAA on FGV website	10 Feb 2017		PERSADA meeting with RSPO Jakarta	9th Mar 2017																					
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2.2.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> There is new planting after 1 Jan 2010.</p> <p><b>Auditor Verification:</b> NPP audit has been carried out for all FGVPM Estate and is currently under review. Data as per below</p> <table> <tr> <th>ESTATE</th><th>HECTARAGE INVOLVES IN NPP</th><th>Status</th></tr> <tr> <td>FGVPM Chegar Perah 1</td><td>59.32</td><td rowspan="4">Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA &amp; HCS sssessment.</td></tr> <tr> <td>FGVPM Bukit Sagu 8</td><td>61.54</td></tr> <tr> <td>FGVPM Tembangau 5</td><td>86.58</td></tr> <tr> <td>FGVPM Selendang 3</td><td>97.59</td></tr> <tr> <td>FGVPM Krau 2</td><td>170.78</td><td rowspan="7">Waiting consultant (Aksenta) to start NPP assessment in February 2017.</td></tr> <tr> <td>FGVPM Krau 4</td><td>80.28</td></tr> <tr> <td>FGVPM Bukit Sagu 6</td><td>72.87</td></tr> <tr> <td>FGVPM Lepar Hilir 5</td><td>253.62</td></tr> <tr> <td>FGVPM Tembangau 6</td><td>495.53</td></tr> <tr> <td>FGVPM Aring 10</td><td>518.52</td></tr> <tr> <td>FGVPM Setiu 01</td><td>130.72</td></tr> <tr> <td>Total</td><td>1,722.32</td><td></td></tr> </table>	ESTATE	HECTARAGE INVOLVES IN NPP	Status	FGVPM Chegar Perah 1	59.32	Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA & HCS sssessment.	FGVPM Bukit Sagu 8	61.54	FGVPM Tembangau 5	86.58	FGVPM Selendang 3	97.59	FGVPM Krau 2	170.78	Waiting consultant (Aksenta) to start NPP assessment in February 2017.	FGVPM Krau 4	80.28	FGVPM Bukit Sagu 6	72.87	FGVPM Lepar Hilir 5	253.62	FGVPM Tembangau 6	495.53	FGVPM Aring 10	518.52	FGVPM Setiu 01	130.72	Total	1,722.32	
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2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p><b>Company Group/Holding Statement:</b></p> <p><b>Auditor Verification:</b> There is issue on land conflict although it was captured on Felda Membership, but FGV also indirectly involved as part of the claim involve FGVPM Sahabat 55 The issue still in progress. Data as per below:</p> <p>Member : Lembaga Kemajuan Tanah Persekutuan (FELDA) /Orang Dusun Desa Begahak</p>																														

		<p>Date Filed : 16 February 2015</p> <p>Complaint : Community of Desa Begahak</p> <p>Complaint : The company has breached the communities user rights to the land in breach of Principle 2.2</p> <p>Status : Box F – Action Plan</p> <p>Synopsis</p> <p>According to the Enquiry National Hak Tanah of Malaysia conducted by SUHAKAM, the state government had given 1260 acres of land to the Dusun Begahak community in 1981. At the same time, the same land was alienated to FELDA for development.</p> <p>The complainant raised the issue that FELDA has no right to develop their land and should return it to the community because the land originally belonged to the community. The complainant also stated that the cemetery area is being developed by FELDA.</p> <p>FELDA enclaved 916 acres of the said land and gave it back to the community on the 25th of May 1982. The community planted fruits and other crops on the land.</p> <p>We have received some evidence from both sides. The evidence needs to be scrutinised and investigated further.</p> <p>Remarks</p> <p>2 July 2015 – It was agreed that the matter would be referred to the FELDA/FGV Sustainable Steering Committee on 7th July 2015.</p> <p>22 June 2015 – FELDA had another meeting with Robin Balud and the representatives of the community and agreed to exchange documents on the land claim. A site visit was also undertaken with the community members.</p> <p>4 June 2015 – FELDA met with Robin Balud again and agreed to do a joint mapping of the land.</p> <p>10 April 2015 – FELDA met the complainant, Robin Balud, in Kota Kinabalu Sabah, to discuss the complaint.</p>
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		<p>9 April 2015 – FELDA met the community (Desa Begahak) members and discussed the issues from the complaint and the land claim.</p> <p>13 March 2015 – RSPO had a conference call meeting with the head of the Dusun Begahak community to understand the situation.</p> <p>16 March 2015 – RSPO had a conference call meeting with FELDA representatives to discuss the situation.</p> <p>17 March 2015 – The complaint was raised to the Complaint Panel for further discussion and action.</p> <p>4 June 2015 – FELDA met the complainant Robin Balud and discussed the main issues of the land claim and compensation.</p> <p>22 March 2016 – RSPO sent complaint notice to FELDA.</p> <p>1 April 2016 – State Land and Survey Department begin its mapping exercise.</p> <p>4 April 2016 – FELDA submits action plan to RSPO dated 27 March 2016.</p> <p>6 May 2016 – FELDA withdraws its RSPO Principle and Criterias certificates.</p> <p>26 July 2016 – Complainant send a formal letter to FELDA to settle the customary land dispute.</p> <p>19 August 2016 – Progress report submitted by Felda.</p> <p>20 September 2016 – Felda met with the community to discuss on how they will progress on the complaint, once the joint mapping report is received from the Sabah Land and Survey department</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>Company Group/Holding Statement:</b></p> <p><b>Auditor Verification:</b></p> <p>There is 1 issue happen in FGVPM Palong Timur 04 (Now FGVPM Palong Timur 05) and the details is elaborated below:</p> <ol style="list-style-type: none"> <li>1. FGVPM PALONG TIMUR 04 (NOW FGVPM PALONG TIMUR 05): Claims on 19.06.2012 with</li> </ol>

		value of summon RM61,968.60 and summon status is Court Appeal
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b></p> <p><b>Auditor Verification:</b> During partial audit, 1 issue with DOE in FPISB Selancar 2A POM is sighted. Summon no : SJ 53-4/2016 ; Date 14.04.2016 in Mahkamah Seksyen Kuantan.</p> <p>Fixed for Trial on 01.03.2017, 02.03.2017 and 03.03.2017.</p> <p>Also 1 issue for minimum wages. Refer to 4.3.1</p> <p>All process still in progress and CB will verify this issue in next audit or during audit in this mill.</p>

### 3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

#### 3.5.1 Identification of Findings, Corrective Actions and Observations at [ST-2](#)

NCR No.	: 2017.01	Issued by	: Yap Chin Hung
Date Issued	: 25 October 2017	Time Limit	: Before Certificate Issued (24 October 2017)
NC Grade	: Major	Date of Closing	: 30 November 2017
Standard Ref. & Requirement	: 2.1.1 Evidence of compliance with relevant legal requirements shall be available		
<b>Non-Conformance Description &amp; Evidence observed :</b> During site observation on scheduled waste store at the mill : a) It was observed that insufficient information (first generation date) in the label for SW 102, SW 110, SW 306, SW 409 in accordance with EQ (Scheduled Waste) Regulation Amendment 2007, Regulation 10. b) Label on SW 305 & SW 410 stated first generation on 31/1/2017. It was observed that the storage of scheduled waste was over 180 days that permitted by EQ (scheduled waste) regulation amendment 2007.			
<b>Root Cause Analysis</b> (filled by organization audited): Less monitoring on the disposal of scheduled warning for the management of competent person management (cepswam) completed			
<b>Correction</b> (filled by organization audited): 1) copy of consideration notes for all categories of schedule waste exposed iaitu SW410, SW409, SW305 & SW306 on October & November 2017 2) entry online department of environment department (eswis) from the month of January 2017 to November 2017 latest declaration on 28/11/2017 3) (first protection for SW 10 only started on october 2017 & no SW 102 expenditure after january 2017 for this year) 4) labeling of determination of all circumstances in the storage of schedule waste Maokil pom, for all category schedule waste after disposals on october & november 2017 5) course calls from the consultant to submit the manager of Maokil POM, to attending the schedule waste competency course recognized the environment department			
<b>Corrective Action</b> (filled by organization audited): 1) All scheduled waste materials distributed by registered contracts with environment department 2) Inventory schedule waste recording (eswis) records. 3) All the scheduled waste stored in the warehouse to judged the new fraudation date. 4) Person in charge of Maoki POMI, sent waste handling course schedule.			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Auditor Verifications:</b> <b>30 November 2017</b> 1) Proper scheduled waste labeling observed thru submitted image. 2) Disposal of scheduled waste to licensed collector observed and no overdue scheduled waste stored. 3) Arrangement of nominated personnel, Mr Mohamad Nizar for Competence Personnel Scheduled Waste Management Training (CePSWaM) observed.			
Based on the evidence given, auditor team stated that nonconformance is <b>closed</b> .			
Verified by	: CH YAP		

<b>NCR No.</b>	<b>: 2017.02</b>	<b>Issued by</b>	<b>: Moh Arif Yusni</b>			
<b>Date Issued</b>	<b>: 25 October 2017</b>	<b>Time Limit</b>	<b>: Before Certificate Issued (24 October 2017)</b>			
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 28 November 2017</b>			
<b>Standard Ref. &amp; Requirement</b>	<b>: SCCS E.2.2</b> The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).					
<b>Non-Conformance Description &amp; Evidence observed :</b> Maokil POM cannot show the evidence that meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).						
<b>Root Cause Analysis (filled by organization audited):</b> The person in charge for Maokil Palm Oil Mil not fully aware of the RSPO IT platform registration and reporting.						
<b>Correction (filled by organization audited):</b> The registration of the RSPO IT platform have been done by the Maokil Palm Oil Mill on 24 Nov 2017.						
<b>Corrective Action (filled by organization audited):</b> The RSPO IT Platform shall be monitored accordingly by Maokil Palm Oil Mill PIC at least twice a year.						
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor Verifications:</b> <b>28 November 2017</b> Maokil POM can show the corrective evidence are email from TECHNICAL SUPPORT TEAM PALM OIL UTZ dated 24 November 2017 about PalmTrace registration request for FGV Kilang Sawit Maokil and Maokil POM already have an account with the details as below: <ul style="list-style-type: none"> <li>- Account Name: FPISB KILANG SAWIT MAOKIL</li> <li>- PalmTrace member ID: RSPO_PO1000003359</li> </ul> Based on the evidence given, auditor team stated that nonconformance is <b>closed</b> .						
<b>Verified by</b>	<b>: Moh Arif Yusni</b>					

**3.5.3 Opportunity for Improvement**

No	Ref Std	Descriptions
1	2.1.3	Consideration to improve legal compliance evaluation on accuracy of evidence.
2	4.7.1	Evaluation OSH Procedure, MSDS and CHRA
3	4.7.2	Monitoring implementation of PPE for all workers
4	4.7.5	Consideration to improve workability of fire hydrant and visibility of evacuation route at mill
5	5.3.3	Consideration to improve the handling and storage methodology for used tyre, scrap metal and PKO storage area to prevent potential pollution from occurrence.
6	6.2.3	Consideration to improve effectiveness of communication related to procedure and new information to the workers
7	6.3.2	Consistency of implementation documented complain and grievances related to the workers and stakeholders

**3.5.4 Noteworthy Positive Components**

No	Descriptions
1	Good commitment from management, and CDD unit to implement the sustainability in FGVP (M).
2	Well coordination between management unit and supporting staff.
3	Has been certified ISCC, ISO 9001, OHSAS 18001 and ISO 14001.
4	Implementation of reducing GHG by installation of Biogas Plant
5	Provide a safety box for passport keeping for foreign workers



**3.6 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Gender Committee of FGVP Maokil (KKD)</b>  There is a feedback from gender committee chairman of Kelab Daya Budi that having a good response and feedback from the FGV management. The Gender Committee in the estate had been actively involve in a lot of activities and such as morning aerobic, cleaning the estate compound, and cooking activity that involve women staff and the workers. The club also thanks the FGV management to keep on approving the budget for their activity throughout the years.	FGV and Felda thanking the settlers and will continue the good cooperation between the settlers and GPW
<b>FGV Contractor (Felma Jaya ENT.)</b>  The respondent had thanked FGV for the opportunity given regarding the contract of transporting FFB to the mill. The contractor also had a contract related to transportation of FFB to the estate. The payment from FGV also appropriate and timely as the contract payment will be done less than 3 months after the work completed. There is also feedback form the contractor that FGV helps the local contractor to work with them and raise up the economic living of local people. The contracto had no problem with the payent as FGV always made a payment on time before date of 6 <sup>th</sup> every month. All contractor's workers covered by insurance. And there is no insurance claim from contractors workers	The company will give a full cooperation to the contractors in FGV Maokil and will adhere to company procedure and policy to external stakeholders.
<b>School teacher representative (Kindergarten)</b>  The school teacher had been working in tadika kemas (Kindergarten) Felda Maokil. There is 3 kindergarten school in the Maokil area with 76 students. The payment for the teacher is always on time and made by tadika kemas. The student's parent only paid RM 15.00 per month and foods prepared by the teacher. The kindergarten is very clean and cosy that include all the toiletries and facilities for student. There is also internet center (pusat Internet 1 Malaysia) next to the kindergarten building.	The company will continue to helps the students and kindergarten school whenever they are needed.
<b>Foreign Workers representative (Bangladeshi and Indonesian)</b>  Two of the representative has been interviewed, Bangladeshi and Indonesian. The Bangladeshi representative has been 11 years working in FGV Maokil 7 and feel satisfied with the FGV Management. The company had paid them according to the procedure, PPE has been provided by the management and including decent housing facilities. The representative from Indonesian has been 7 years working in the company and very grateful to have full cooperation from the manager of estate including all staff and executive.	The company will continue to keep a good relation between the workers and all internal stakeholders.

<p><b>Gender Committee (GPW)</b></p> <p>Two of representative GPW from Felda had been interviewed. Felda and FGV had been constantly helping the woman since their presence in Maokil settlers. They help the settlers and woman in terms of social and education together with government efforts of raising up socio economic of the people. Felda also help in terms of security of the settlers by setting up FELSCO and auxiliary police to take care of the area and ensure the safety of the people. There are around 800 settlers in Felda Maokil and the management had given incentives towards their childrrrens for excellency in studies. The GPW had been actively involve in activity such as made their own nursery and planting flowers for purpose of beautify the surrounding area.</p>	<p>FGV and Felda thanking the settlers and will continue the good cooperation between the settlers and GPW</p>
<p>There was no feed-back received from NGO and External Stakeholders</p>	<p>No issues raised</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>Company Name Management Representative</p>  <p><b><u>Norazam Abdul Hameed</u></b> 15 December 2017</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> 15 December 2017</p> </div> </div>

**Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process**

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Gender Committee of FGVP Maokil (KKD)	Labis	-	Interview	24 October 2017	√	-
2	FGV Contractor (Felma Jaya ENT.)	Labis	-	Interview	24 October 2017	√	-
3	School teacher representative (Kindergarten)	Labis	-	Interview	24 October 2017	√	-
4	Foreign Workers representative (Bangladeshi, India and Indonesian)	Labis	-	Interview	24 October 2017	√	-
5	Representative GPW from Felda	Labis	-	Interview	24 October 2017	√	-
6	Malaysian Nature Society (MNS)	Kuala Lumpur		Email	18 October 2017		√
7	UNION – AMESU	Malaysia		Email	18 October 2017		√
8	Centre for Environment, Technology and Development Malaysia – CETDEM	Malaysia		Email	18 October 2017		√
9	National Council of Welfare & Social Development Malaysia – NCWSDM	Malaysia		Email	18 October 2017		√
10	Maokil 6 Estate • 4 harvesters • 2 pesticide operators • 1 head of warehouse	Labis	-	Interview	23 October 2017	√	
11	Maokil 7 Estate • 5 harvesters • 2 pesticide operators • 7 fertilizers operators	Labis	-	Interview	24 October 2017	√	

**Appendix 2. Assessment Program**

DATE	22 – 26 Oct 2017	
ACTUAL TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Ahad / Sunday 22 Oct 2017</b>		
<b>04.25 – 07.25</b>	Travelling from Jakarta to Kuala Lumpur	<b>MAY / AMR</b>
<b>08.00 – 12.00</b>	Travelling from KL to Johor Darul Takzim (Maokil POM)	<b>All Auditor Team</b>
<b>14.00 – 15.00</b>	<b>Opening meeting in Maokil POM</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor Team</b>
<b>15.00 – 16.30</b>	<b>Verification on:</b> <ul style="list-style-type: none"> <li>Time Bound Plan</li> <li>Parsial certification</li> <li>Basic information</li> </ul>	<b>All Auditor Team</b>



DATE	22 – 26 Oct 2017	
ACTUAL TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Isnin / Monday</b> <b>23 Oct 2017</b>  08.00 – 12.00	Document Audit and Field Visit to <b>Maokil 6</b> <ul style="list-style-type: none"> <li>• Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc.); Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare</li> <li>• Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li> <li>• Worker's Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>• Interview &amp; FGD with Worker's Union, Gender Committee, Local Contractor, Local Communities, Jabatan.</li> </ul>	<b>AMR</b>  <b>EBH</b>  <b>MAY</b>  <b>YCH</b>
12.00 -13.00	<b>Break and Lunch</b>	
13.00 – 17.00	Field Observation Verification & Completion of Check List in Estate	<b>All Auditor</b>

DATE	22 – 26 Oct 2017	
ACTUAL TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Selasa / Tuesday</b> <b>24 Oct 2017</b> 08.00 – 12.00	Document Audit and Field Visit to <b><u>Maokil 7</u></b> <ul style="list-style-type: none"> <li>• Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc.); Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare</li> <li>• Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li> <li>• Worker's Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> </ul>	<b>AMR/MAY</b>   <b>YCH</b>   <b>EBH</b>
12.00 – 13.00	<b>Break and Lunch</b>	<b>All Auditor</b>
13.00 – 17.00	Field Observation Verification & Completion of Check List in Estate	<b>All Auditor</b>
<b>Rabu / Wednesday</b> <b>25 Oct 2017</b> 08.00 – 12.00	Document Audit and Field visit to <b><u>Maokil PALM OIL MILL</u></b> <ul style="list-style-type: none"> <li>• Supply Chain verification (FFB Receiving, Weighbridge)</li> <li>• FFB Sorting, Processing Activity, Despatch CPO); Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; Land Application of POME)</li> </ul>	<b>MAY /EBH</b> <b>AMR / YCH</b>
12.00 – 13.00	<b>Break and Lunch</b>	<b>All Auditor</b>
13.00 – 16.00	Field Observation Verification & Completion of Check List in Mill	<b>All Auditor</b>
16.00 – 17.30	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
17.30 – 19.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>• Presentation of Assessment Findings by Auditor Team (Explanation of Identified Nonconformities and Completion of Corrective Timeline, Answer &amp; Questions)</li> <li>• Auditee Response against Assessment Findings</li> </ul>	<b>All Auditor</b>

DATE	22 – 26 Oct 2017	
ACTUAL TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Khamis / Thursday 26 Oct 2017</b>		
09.00 – 15.00	Travelling from Site to KL	<b>All Auditor</b>
16.00 – 18.00	<b>Travelling from KL to Jakarta</b>	<b>MAY / AMR</b>