

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

[] Stage-1 [✓] Stage-2 [] Surveillance [] Re-Certification

Plantation Management : AIR TAWAR Palm Oil Mill, Felda Global Ventures Plantations subsidiary of FELDA

Plantation Name : Felda/ FTP Air Tawar 1; Felda/ FTP Air Tawar 2; Felda/ FTP Air Tawar 3; and Felda/ FTP Pasak

Location : Kota Tinggi, Johor Darul Takzim., MALAYSIA

Certificate Code : **MUTU-RSPO/086**

Date of Certificate Issue : **6 January 2016** **Date of License Issue** : **6 January 2016**

Date of Certificate Expiry : **5 January 2021** **Date of License Expiry** : **5 January 2017**

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-1	16- 17 March 2015	Hari Naveen Christopher, Nur Diana. MP (<i>Trainee Auditor</i>)	Ganapathy Ramasamy	Tony Arifiarachman
ST-2	18 – 20 May 2015	Oktovianus Rusmin, Dinesh Nadarajah, Yap Chin Hung, Nur Diana. MP		

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	06 January 2016

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Figure 1. Location Map of Air Tawar Complex

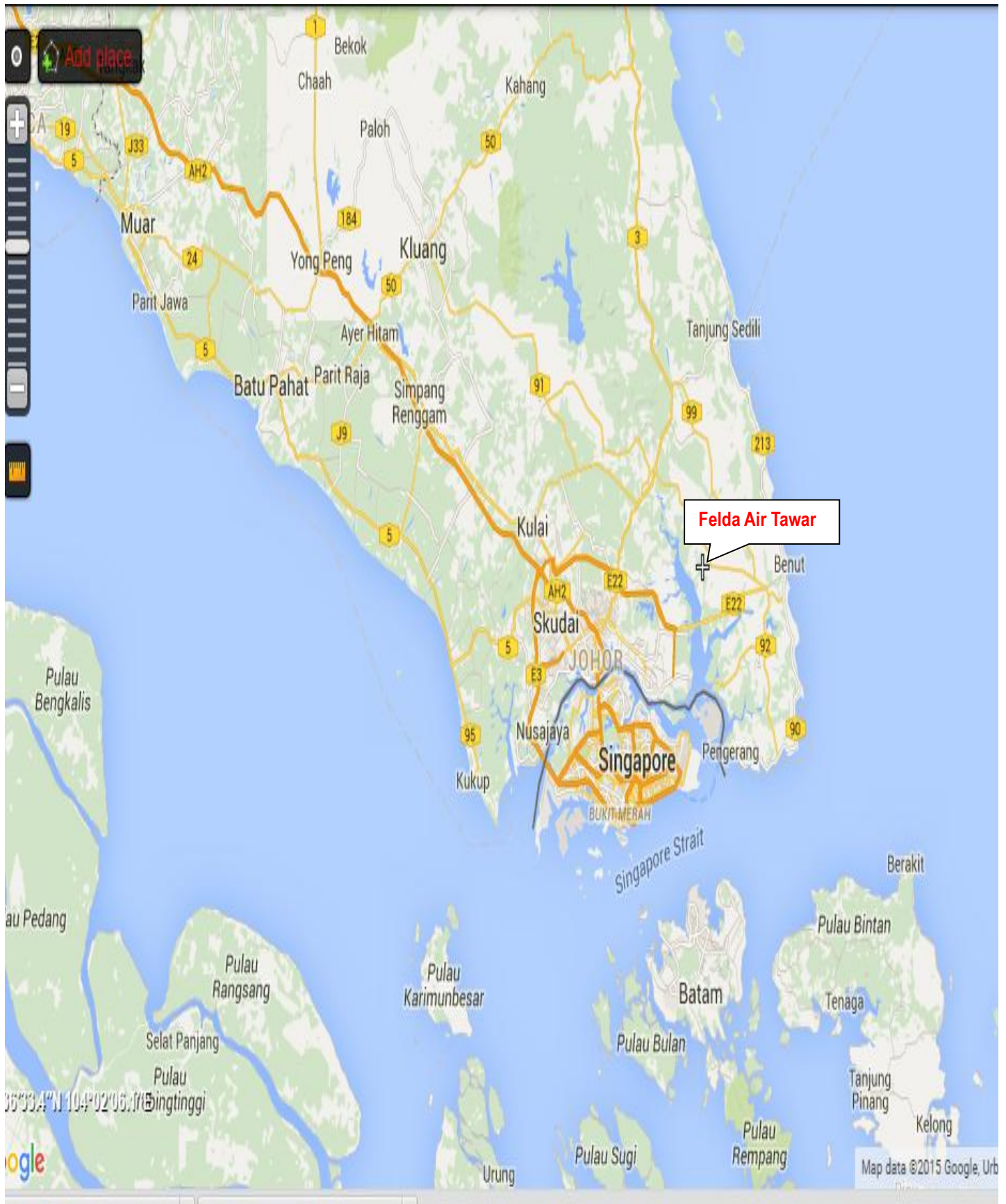
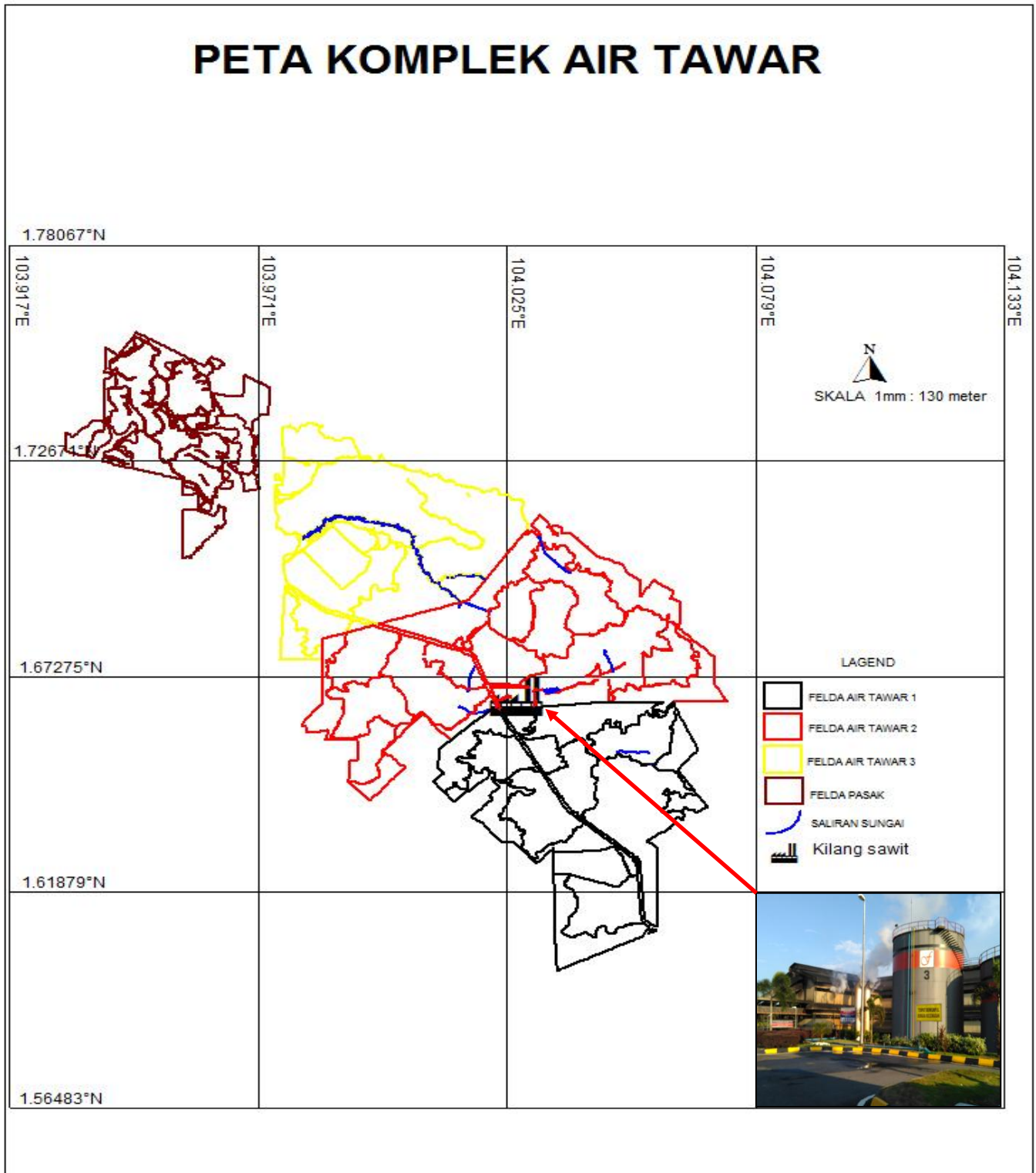


Figure 2. Operational Map of Felda Air Tawar Mill & Estate 1, 2, 3 & Felda Pasak



Abbreviation Used

BOD	:	Biological Oxygen Demand
CSR	:	Corporate Social Responsibility
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
ESH	:	Environment and Safety and Health
FELDA	:	Federal Land Development Authority
FFB	:	Fresh Fruit Bunches
FTP	:	Felda Techno Plant
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
MPOB	:	Malaysian Palm Oil Board
MSDS	:	Material Safety Data Sheet
NC	:	Non Conformance
OHS	:	Occupational Health and Safety
OER	:	Oil Extraction Rate
P&C	:	Principle and Criteria
IPM	:	Integrated Pest Management
PK	:	Palm Kernel
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PSQM	:	Plantation Sustainability Quality Management
PMU	:	Plantation Management Unit
PPE	:	Personal Protection Equipment
RSPO	:	Roundtable on Sustainable Palm Oil
SEIA	:	Social and Environmental Impact Assessment
SIA	:	Social Impact Assessment
SCCS	:	Supply Chain Certification System
SOP	:	Standard Operating Procedure
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	National Interpretation Used	<ul style="list-style-type: none"> • National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production. Endorsed by RSPO Board of Governors 6 March 2015. • 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) 	
1.2	Organization Information		
1.2.1	Company name	Felda Global Ventures Plantations S/B – FELDA	
1.2.2	Contact person	Mr. Norazam Abdul Hameed	
1.2.3	Company address and site address	PSQM, Felda Global Ventures Plantations (M) Sdn Bhd, Tingkat 20 Menara FELDA Platinum Park, No. 11 Persiaran KLCC, 50088 Kuala Lumpur.	
1.2.4	Telephone	03-26005349	
1.2.5	Fax	03-26987816	
1.2.6	E-mail	norazam.ah@feldaglobal.com	
1.2.7	Web page address	www.felda.net.my	
1.2.8	Company status	Government	
1.2.9	Management Representative who completed the application for certification	Mr. Anthonius Sani	
1.2.10	Registered as RSPO member	1-0013-04-000-00, 17 October 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment	Palm Oil Mill and supply base	
1.3.2	Type of certificate	Single	
1.3.3	Company names listed in the certificate	FELDA GLOBAL VENTURES PLANTATIONS (MALAYSIA) SDN BHD	
1.3.4	Number of management unit	Air Tawar Mill supply by Felda/ FTP Air Tawar 1; Felda/ FTP Air Tawar 2; Felda/ FTP Air Tawar 3; and Felda/ FTP Pasak	
1.4	Locations of Mill, Plantations and Area Statement		
1.4.1	Location of Mill		
	Name of Mill	Location	GPS Latitude (North/South) Longitude (East/West)
	Kilang Sawit Air Tawar	Kilang Sawit Air Tawar, Peti Surat 17, Pejabat Pos Felda Air Tawar 2, 81920 Kota Tinggi, Johor.	N 1°40'1" E 104°1'37"
1.4.2	Location of Supply Base		
	Name of Supply Base	Location	GPS Latitude (North/South) Longitude (East/West)

	Felda Air Tawar 1	Felda Air Tawar 01, Peti Surat 514, 81907 Kota Tinggi, Johor Darul Takzim.	N 1°37'48"	E 104° 2' 51"															
	Felda Air Tawar 2	Felda Air Tawar 02, 81920 Kota Tinggi, Johor Darul Takzim.	N 1°40'10"	E 104°02'18"															
	Felda Air Tawar 3	Felda Air Tawar 03, 81920 Kota Tinggi, Johor Darul Takzim.	N 1°42'13"	E 103°59'17"															
	Felda Pasak	Felda Pasak, 81900 Kota Tinggi, Johor Darul Takzim.	N 1°42'44"	E 103°57'26"															
1.4.3	Tenure																		
	• Private	0 Ha																	
	• State	Nil																	
	• Community (Penoraka)	7,631.68																	
1.4.4	Area Statement																		
	• Total/Certified area (<i>luas kawasan kilang +4 ladang</i>)	7,631.68	Ha																
	• Mature area (<i>Jumlah kawasan ladang yang matang</i>)	6,666.63	Ha																
	• Mill (<i>Luas kawasan kilang</i>)	29.87	Ha																
	• Worker quarters (<i>Luas kawasan perumahan pekerja asing</i>)	20	Ha																
	• Infrastructure (<i>Luasa kawasan yang telah dibina dgn kemudahan infrastruktur</i>)	612.36	Ha																
	• Nursery (<i>Luas kawasan nursery / tapak semaian</i>)	0	Ha																
	• Conservation Area	57	Ha																
	• HCV	0	Ha																
	• Others area	245.82	Ha																
1.5	Description of Supply Base																		
1.5.1	Description of Mill																		
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/ year)	<table><tr><th colspan="2">CPO</th><th colspan="2">Palm Kernel</th></tr><tr><th>Out put (tonnes)</th><th>Extraction (%)</th><th>Out put (tonnes)</th><th>Extraction (%)</th></tr><tr><td>Kilang Sawit Air Tawar</td><td>45</td><td>175,571.24</td><td>353,77.60</td><td>20.15</td><td>8,778.56</td><td>5.00</td></tr></table>	CPO		Palm Kernel		Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	Kilang Sawit Air Tawar	45	175,571.24	353,77.60	20.15	8,778.56	5.00
CPO		Palm Kernel																	
Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)																
Kilang Sawit Air Tawar	45	175,571.24	353,77.60	20.15	8,778.56	5.00													
	<i>Production Actual Data: Past 12 Months (up to a month before audit month)</i> <i>Data also includes uncertified FFB supplied to the mill</i>																		
1.5.2	Description of Actual Certified Estate(s)																		
	Name of Estate(s)	Certified Area (Ha)	Mature (Ha)	Unmature (Ha)	FFB (tonnes/year)	Yield (tonnes/h a/year)	Supplied to Mill												
							FFB (tonnes/ year)	%											
	Felda Air Tawar 1 (467 <i>smallholders</i>)	2,018.70	1,879.90	-	33,443.42	17.79	33,443.42	100											
	Felda Air Tawar 2 (633 <i>smallholders</i>)	2,730.67	2,528.14	-	49,222.89	19.47	49,222.89	100											
	Felda Air Tawar 3 (411 <i>smallholders</i>)	2,108.86	1,922.53	-	41,065.24	21.36	41,065.24	100											
	Felda Pasak (311 <i>smallholders</i>)	773.45	336.06	46.53	7,773.07	23.13	7,773.07	100											
	TOTAL	7,631.68	6,666.63	46.53	131,504.62	81.75	131,504.62	100											
	<i>Production Data(for the estate that soon to be certified) : Previous 12 months up to audit month.</i>																		
1.5.3	Smallholder(s) and other source																		

	Name of source(s)	Member(s)	Location			Supplied to Mill	
						FFB (tonnes/year)	%
	Outsider	-	Kota Tinggi			15,005.01	10
	TOTAL						
Production Data: Previous 12 months up to audit month.							
1.5.4	Product categories				CPO and PK		
1.6	Year of Plantings and Cycles						
1.6.1	Age profile of planted palms*						
	Planting Year	Hectarage					
		Felda Air Tawar 1	Felda Air Tawar 2	Felda Air Tawar 3	Felda Pasak	Total (Ha)	
	1994				156.03	156.03	
	2000			1,235.26	79.29	1314.55	
	2001	1,879.90	2,528.14	480.00		4888.04	
	2006				31.51	31.51	
	2009			207.27	47.18	254.45	
	2012				22.05	22.05	
	TOTAL	1,879.90	3,110.89	1,922.53	336.06	6,666.63	
1.6.2	New Planting area after January 2005/2010			-		Ha	
1.6.3	Planting Cycle			25		Years	
1.7	Approximate Tonnage Certified						
1.7.1	Past Annual Claim Certified Product			Certificate Claim (tonnes/year)		Actual certified product (tonnes/year)	
	• FFB Production						
	• CPO Production						
	• Palm Kernel (PK) Production						
1.7.2	Projected Certified Tonnage of FFB						
	Name of Estate(s)	Total Area (Ha)	Mature Area (,Ha)	FFB (tonnes/year)		Yield (tonnes/ha/year)	
	Felda Air Tawar 1	2,018.70	1,879.90	43,031		22.89	
	Felda Air Tawar 2	2,730.67	2,528.14	54,145		21.4	
	Felda Air Tawar 3	2,108.86	1,922.53	45,172		23.50	
	Felda Pasak	773.45	336.06	7,655		22.78	
	TOTAL	7,631.68	6,666.63	150,003		22.50	
Based on Forecast May 2015 – April 2016							
1.7.3	Projected Certified Tonnage of Palm Product						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/ year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Kilang Sawit Air	45	150,003	31,936	21.29	7,500	5

	Tawar					
	<i>Based on Forecast May 2015 – April 2016</i> <i>*FELDA managed the Peneroke or community’s land. The data based on *FELDA Global Ventures Plantation (M) Sdn Bhd Letter on November 11th, 2015 number (32)FVPM/PSQM/SPO/HQ/01 regarding the exclusion of own manage smallholders (Peneroka Urus Sendiri) from RSPO certification scope in estate which have smallholders.</i>					
1.8	Other Certifications					
1.8.1	ISO 9001:2008/ISO 14001: 2004		14 January 2018 (AJAMY15/1484 & AJAMY15/1485)			
1.8.2	OHSAS 18001:2007		14 January 2018 (AJAMY15/1486)			
1.8.3	HACCP					
1.8.4	Others		Good code of good agriculture practice for all palm estates and smallholdings by Malaysian Palm Oil Board (MPOB)			
1.9	Time Bound Plan					
1.9.1	Time Bound Plan for Other Management Units					
No	Management Unit	Address	Hectarage (Ha) *	Time Bound Plan (Planned Audit Year)	Status (Actual/T arget Certificati on Year)	
1	Kota Gelanggi 6	Kilang Sawit Kota Gelanggi 6, W/Pos Felda Kota Gelanggi.27000 Jerantut, Pahang	10,334	Q4, 2009	Certified: 2010	
2	Lepar Utara 6	Kilang Sawit Lepar Utara 6, Peti Surat 12 & 2020 26400 Bandar Pusat Jengka Pahang	11,538	Q4, 2009	Certified: 2010	
3	Jengka 21	Kilang Sawit Felda Jengka 21, Bandar Pusat Jengka, 26400 Pahang	14,319	Q3, 2011	Certified: 2013	
4	Jengka 3	Kilang Sawit Jengka 3, 26400 Bandar Jengka. Pahang	13,720	Q1, 2011	Certified: 2012	
5	Jengka 8	Kilang Sawit Jengka 8, 26400, Bandar Tun Abdul Razak Jengka, Pahang	13,895	Q1, 2011	Certified: 2012	
6	Lepar Utara 4	Kilang Sawit Lepar Utara 04, Peti surat 55, Pejabat Pos Bandar Pusat Jengka, 26400 Bandar Pusat Jengka, Pahang	9,415	Q3, 2011	Certified: 2012	
7	Jengka 18	Pejabat Felda Jengka 18 (Seroja) palm Oil Mill, 26400 Bandar Pusat Jengka, Jengka, Pahang	12,296	Q3, 2011	Certified: 2013	
8	Padang Piol	Kilang Sawit Padang Piol, 27040 Jerantut, Pahang	4,960	Q1, 2011	Certified: 2012	
9	Adela	Kilang Sawit Adela, Po Box 73, Bandar Penawar, Kota Tinggi 81930 Johor	12,930.04	Q1, 2011	Certified: 2012	
10	Lok Heng	Kilang Sawit Lok Heng, PO Box 55, 81907 Kota Tinggi, Johor	12,799	Q1, 2011	Certified: 2012	
11	Semenchu	Kilang Sawit Semenchu, Peti Surat 63, 81907 Kota Tinggi, Johor	15,797	Q2, 2011	Certified: 2012	
12	Wa Ha	Kilang Sawit Waha, Karung Kunci S24, 81907 Kota Tinggi, Johor	9,597	Q1, 2013	Certified: 2012	
13	Bukit Kepayang	Kilang Sawit Bukit Kepayang, 28300 Triang, Pahang	10,164.44	Q4, 2011	Certified: 2013	
14	Bukit Mendi	Kilang Sawit Bukit Mendi, 28320 Triang, Pahang	7,838	Q4, 2011	Certified: 2012	
15	Kemasul	Kilang Sawit Kemasul, 28300 Triang, Pahang	10,150	Q4, 2011	Certified: 2012	
16	Tementi	Kilang Sawit Tementi, 38300 Triang, Pahang	11,696	Q4, 2011	Certified: 2013	
17	Triang	Kilang Sawit Triang, 28300 Triang, Pahang	10,142	Q4, 2011	Certified:	

					2012
18	Segamat (GC)	Felda Segamat Region Complex, KM 5, Jalan Genuang, 89000 Segamat, Johor	11,192	Q1, 2011	Certified: 2012
19	Belitong	Kilang Sawit Belitong, Peti Surat 61, 86007 Kluang, Johor	7,110	Q4, 2012	Certified: 2014
20	Bukit Besar	Kilang Sawit Bukit Besar, W/P Bukit Besar, 81450 Kulai, Johor	4,716	Q4, 2012	Certified: 2014
21	Kahang	Kilang Sawit Kahang, Karung Berkunci No. 533, 86007 Kluang, Johor	5,134	Q4, 2012	Certified: 2014
22	Kulai	Kilang Sawit Kulai, Felda Taib Andak, 81000, Kulai, Johor	7,531	Q4, 2012	Certified: 2014
23	Nitar	Kilang Sawit Nitar, Felda Nitar 2, 86700 Kahang, Johor	5,819	Q4, 2012	Certified: 2014
24	Penggeli	Felda Peggeli Palm Oil Mill, Peti Surat 28, 81440 Bandar Tenggara, Johor	9,456	Q4, 2012	Certified: 2014
25	Lepar Hilir	Pejabat Felda Lepar Hilir palm Oil Mill, Gambang, Pahang	14,575	Q4, 2012	Certified: 2014
26	Bukit Sagu	Kilang Kelapa Sawit Bukit Sagu, Peti surat 331, 26130 Kuantan, Pahang	11,684	Q4, 2012	Certified: 2014
27	Baiduri Ayu	Kilang Sawit Felda Baiduri Ayu, Peti Surat 29, Pos Cenderawasih, 91150 Lahad Datu, Sabah	7,450	Q4, 2013	Certified: 2014
28	Fajar Harapan	Kilang Sawit Felda Fajar Harapan, Peti Surat 27, Pos Cenderawasih, 91150 Lahad Datu, Sabah	13,668	Q4, 2013	Certified: 2014
29	Kembara Sakti	Kilang Sawit Kembara Sakti, Peti Surat 24, 91150, Cenderawasih, Lahad Datu, Sabah	10,208	Q3, 2014	Certified: 2014
30	Mercu Puspita	Kilang Sawit Mercu Puspita, Peti Surat 29, 91150, Cenderawasih, Lahad Datu, Sabah	12,734	Q3, 2014	Certified: 2014
31	Nilam Permata	Kilang Sawit Nilam Permata, Peti Surat 23, 91150, Cenderawasih, Lahad Datu, Sabah	8,359	Q3, 2014	Certified: 2014
32	Hamparan Badai	Kilang Sawit Hamparan Badai, Peti Surat 25, 91150, Cenderawasih, Lahad Datu, Sabah	17,212	Q3, 2014	Certified: 2014
33	Embara Budi	Embara Budi Peti Surat No. 28, 91105 Lahad Datu, Sabah	15,070	Q2, 2014	Certified: 2014
34	Lancang Kemudi	Lancang Kemudi, Felda Sahabat 45, Lahad Datu, Sabah	10,698	Q2, 2014	Certified: 2014
35	Kalabakan	Kilang Sawit Kalabakan, Peti Surat No. 62007, 91030 Tawau, Sabah	7,352	Q2, 2014	Certified: 2014
36	Umas	Kilang Sawit Umas, WDT 43,91009, Tawau, Sabah	8,356	Q2, 2014	Certified: 2014
37	Besout	Kilang Sawit Besout, 35600 Sungkai, Perak	12,201.80	Q3, 2014	Certified: 2014
38	Trolak	Kilang Sawit Trolak, Pejabat POS Sungkai, 35600 Sungkai, Perak	6,899	Q3, 2014	Certified: 2014
39	Krau	Kilang Sawit Krau, Peti Surat 17, 28700 Bentong, Pahang	14,619	Q3, 2014	Certified: 2015
40	Pancing	Kilang Sawit Pancing, Peti Surat 257, 25730 Kuantan, Pahang	3,850	Q3, 2014	Certified: 2014
41	Neram	Kilang Sawit Neram, Pejabat Pos Mini Felda Neram 1, 26160 Kuantan, Pahang	15,262	Q3, 2014	Certified: October 2015
42	Mempaga	Kilang Sawit Mempaga, 28600 Karak, Pahang	7,648	Q3, 2014	Certified: 2014
43	Chalok	Kilang Sawit Chalok, 21450 Setiu Terengganu	8,730.67	Q4, 2014	Audited November 2014
44	Sg Tenggi	Kilang Sawit Sg. Tenggi, Felda Gedangsa, 44010 Kuala Kubu Bahru, Selangor	7,320	Q3, 2014	Certified: 2014

45	Serting	Kilang Sawit Serting, Bandar Baru Serting, 72109 Jempol, Negeri Sembilan	17,947.93	Q3, 2014	Certified October 2015
46	Keratong 2	Kilang Sawit Keratong 02, Peti Surat 28, 26900 Bandar Tun Razak, Pahang	15,276	Q3, 2014	Certified: 2014
47	Keratong 03	Kilang Sawit Keratong 03, Peti Surat 21, 26900 Bandar Tun Razak, Pahang	12,036.48	Q3, 2014	Certified: 2015
48	Pasoh	Kilang Sawit Pasoh, 72300 Simpang Pertang, Negeri Sembilan	8,197.34	Q3, 2014	Certified: 2015
49	Kerteh	Kilang Sawit Kerteh, Beg berkunci No. 3, 23309 Ketengah Jaya, Terengganu	13,170.13	Q4, 2014	Certified: 2015
50	Selendang	Kilang Sawit Selendang, Pejabat Pos Kuala Rompin, 26800 Rompin, Pahang	13,944.20	Q3, 2014	Audited September 2014
51	Selancar 2A	Kilang Sawit Selancar 2A, Peti Surat 98, 85007 Segamat, Johor	8,399.40	Q4, 2014	Certified: 2015
52	Selancar 2B	Kilang Sawit Selancar 2B, Peti Surat 98, 85007 Segamat, Johor	7,555	Q3, 2014	Certified: 2015
53	Jerangau Barat	Kilang Sawit Jerangau Barat, Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	1,556	Q4, 2014	Certified: 2015
54	Jerangau Baru	Kilang Sawit Jerangau Baru, Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	10,805	Q4, 2014	Certified: 2015
55	Palong Timur	Kilang Sawit Palong Timur, Peti Surat 2, 73400 Gemas, Negeri Sembilan	26,331	2014/2015	Audited January 2015
56	Serting Hilir	Kilang Sawit Serting Hilir, 72120 Bandar Baru Serting, Negeri Sembilan	24,689	2014/2015	Audited January 2015
57	Maokil	Kilang Sawit Maokil, Jalan Kilang, Rancangan Felda Maokil, 85300 Labis, Johor	8,777	2014/2015	Audited December 2014
58	Tenggaroh	Kilang Sawit Tenggaroh, 86810 Jemalung, Johor	16,812	2014/2015	Audited December 2014
59	Tenggaroh Timur	Kilang Sawit Tenggaroh Timur, Karung Berkunci No. 534, 81907 Kota Tinggi, Johor	4,420	2014/2015	Audited: December 2014
60	Keratong 09	Kilang Sawit Keratong 09, Peti Surat 32, 26900 Bandar Tun Razak, Pahang	7,810	2014/2015	Audited: December 2014
61	Kechau A	Kilang Sawit Kechau A, Peti Surat 16, 27207 Kuala Lipis, Pahang	15,963	2014/2015	Audited January 2015
62	Kechau B	Kilang Sawit Kechau B, Peti Surat 57, 27200 Kuala Lipis, Pahang	8,712	2014/2015	Audited January 2015
63	Ciku	Kilang Sawit Ciku, Peti Surat 29, 18300 Gua Musang, Kelantan	10,796	2015/2016	Audited April 2015
64	Aring.A	Gua Musang, Kelantan, MALAYSIA	21,791.60	2015/2016	Certified September 2015
65	Aring B	Kilang Sawit Aring B, Peti Surat 46, 18300 Gua Musang, Kelantan	6,920	2015/2016	Audited: 2015
66	Kemahang	Kilang Sawit Kemahang, Peti Surat 35, 17507 Tanah Merah, Kelantan	7,775	2015/2016	Certified July 2015
67	Tersang	Kilang Sawit Tersang, 27600 Raub, Pahang	10,044	2015/2016	Audited May 2015
68	Cini 2	Kilang Sawit Chini 2, 26690 Chini, Pahang	9,422	2015/2016	Audited

					May2015
69	Cini 3	Kilang Sawit Chini 3, 26690 Chini, Pahang	7,730	2015/2016	Audited May2015
70	Sampadi	Kilang Sawit Sampadi, Peti Surat 18, 94507 Lundu, Sarawak	7,680	2016/2017	Audited June 2015
71	Air Tawar	Kilang Sawit Air Tawar, 81900 Kota Tinggi, Johor	12,338.62	2016/2017	Audited May 2015
72	Pontian Plantation	Kilang Sawit Pontian Plantation, KM52 off Jalan Sandakan-Lahad Datu, PO Box 60525, 91114 Lahad Datu, Sabah	14,978	2016/2017	Certified October 2015
1.9.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	All the outgrowers which supplies to Air Tawar Mill are planned to be in RSPO certifiable standard within three years after the mill certified. The progress of the outgrowers will be verified during the next assessment.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ST-1	<ol style="list-style-type: none"> Hari Naveen Christopher, In October 2011, the role of Program Manager – RSPO for Control Union Certifications. During 15 years in employment has advanced organizational and communicational skills to further expand the knowledge pertaining to the retail sales environment. Skill sets and scope of work include taking lead in driving Sales, Business Network Development, future product planning, the implementation of sales processes, as well as training, consulting and coaching the sale force. Self driven with the desire to be held accountable in delivering any assigned objectives. Nur Diana. MP (Trainee Auditor). Graduated with Bachelor of Human Science and then perusing her postgraduate study focusing in Communication in one of the local university in Malaysia. She has various experience involving with Malaysian Non-Profit Organisation for about three years. In addition, she has a well exposure in human rights, women's rights and worker welfare issues.
ST-2	<ol style="list-style-type: none"> Oktovianus Rusmin (Lead Auditor). Indonesian Citizen. Bachelor's Degree in Social & Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact & Conflict Resolution) and HCV. Already participated in Forest Management Auditor Training (FSC Standard), ISO 14001 Environmental Management System Training, SVLK (wood legality) Auditor, Indonesian Sustainable Palm Oil (ISPO) and RSPO Lead Auditor Training. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI) and Gap Analysis Audit (FSC Standard). Had worked at the Center for study of Anthropology University of Indonesia and Social Advisor at Tropical Forest Trust (TFT) Indonesia. He was numerously involved in Social Impact Assessment and HCV Identification in Palm Oil Plantations and Natural Forest concessions and was approved as HCV assessor by RSPO for Social Discipline Specialist. Have been involved in several palm oil certifications as Auditor and Lead Auditor. In Initial Audit Stage 2, he conducted an assessment on Social aspect, Conservation and SCCS. Dinesh Nadarajah. Founder and managing director of MALAYSIANA EHS Consultants Sdn Bhd, a specialist environmental consultancy company. He has more than 20 years experience undertaking consultancy assignments in Environmental Impact Assessments (EIA), Environmental Management Plans (EMP), Wildlife Management Plans (WMP), Environmental Screening &/ Scoping Studies (ESS), Environmental Audit (Legal compliance, Eco-label, ISO 14001 EMS), ISO 14001 Environmental Management Systems, (EMS), Environmental Training including Environmental Law, Integrated Management System (IMS) covering ISO 14001, OHSAS 18001 Occupational Health & Safety Management Systems, ISO 9001 Quality Management Systems (QMS) and/ or Hazard Analysis and Critical Control Point (HACCP), RSPO, Waste Management, Chemical Health Risk Assessments (CHRA) and Emergency Response Plans (ERP) within a wide range of sectors in the region. He has conducted more than 850 training programmes for a diverse range of clients throughout South East Asia. In Initial Audit Stage 2, he conducted an assessment on <i>Best Practices Mill and OHS aspect</i>. Yap Chin Hung. Graduate 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 & OHSAS 18001. In Initial Audit Stage 2, he conducted an assessment on <i>Environmental and Best Practices Agronomy aspect</i>. Nur Diana. Graduated with Bachelor of Human Science and then perusing her postgraduate study focusing in Communication in one of the local university in Malaysia. She has various experience involving with Malaysian Non-Profit Organisation for about three years. In addition, she has a well exposure in human rights, women's rights and worker welfare issues. During this audit, she assigned to verify of Social and Worker's Rights aspect. Has been witnessed as trainee auditor for three different audit site and since May 2015 her status being as Auditor.

2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST 1	Number of auditors : 2 auditor Number of days for ST-1 , 2 days Number of working days for ST-1 : 4 Working days for auditor
ST-2	Number of auditors : 4 auditor Number of days for ST-2 at site : 3 days Number of working days for ST-2 at site : 12 Working days for auditor
2.2.2	Detail process of assessment
ST-2	<p>The assessment was conducted by measuring the sufficiency of implementation and consistency of the Air Tawar - FELDA GLOBAL VENTURE, FELDA Plantations to the requirements of Malaysian National Interpretation of the RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO MYNI, March 2015 and Supply Chain Requirement for CPO Mill 2014).</p> <p>The assessment was conducted in three methods: (1) document review, aiming at observe the sufficiency of types or substances from required documents; (2) interview with management and stakeholders, aiming at obtaining more detailed information and information cross check; and (3) field observation, aiming at observe directly the sufficiency of implementation on site.</p> <p>Number of units in this certification activity is 4 (four) estates, which supply the raw material (FFB) to 1 (one) palm oil mill. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ 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 Air Tawar Palm Oil Mill and 2 (two) estates (Felda Air Tawar 2 Estate and Felda Air Tawar 3 Estate).</p> <p>The assessment was conducted in three methods: (1) document review, aiming at observing the sufficiency of types or substances from required documents; (2) interview with management and stakeholders, aiming at obtaining more detailed information and information cross check; and (3) field observation, aiming at observing directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement as the results of initial audit (ST-2) had also delivered by the MUTU auditors to the management unit and the results are the subject will be verified at the next assessment phase.</p> <p>Improvement of findings from main assesment findings were observed by auditors at this initital stage (ST-2) assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari and part of Surveillance 1 Audit (ASA-1)</p> <p>The assessment program please find Appendix 2</p>
2.2.3	Locations of Assessment
ST-2	<p>Air Tawar Mill</p> <ul style="list-style-type: none"> • SCCS verification and interview of personal in charge at weight bridge and grading area. • Grading area and Loading Ramp: walked through the process from incoming FFB to kernel storage. Inspected vertical steam sterilizer, winnowing, and noted EHS physical aspects & hazards and control measures • Boiler area : viewed CEMS, observed settings, fuel feeding system, stack emissions • Chemical store, SW store, Lube oil store, Workshop area : observation carried out physical EHS inspection of SW store, lube oil store, workshop, facilities, operations & machinery. • Effluent Pond: Observation of Effluent pond operation, Mixing pond, Anaerobic Pond, Facultative Pond, Bio Polishing Plant and final discharge point.

Air Tawar 02 Estate

- **Boundary pole** at Block 4 Division 1 adjacent of Asahi Plantation (another plantation): there was installed pole and moat along the border plantation area.
- **Temon river** at Block 20 Division 1 (conservation area/buffer zone): the area is managed and under control of Environment Agency of Johor (Jabatan Alam Sekitar).
- **Harvest activities** at Block 3 Division 1: an interview the harvester and observation of Personal Protective Equipment used.
- **Manure activities** at Block 3 Division 1: an interview the workers and observation of Personal Protective Equipment used.
- **Chemical Store:** observation of pesticide & fertilizer store and carried out EHS inspection.
- **Worker housing** : observation of house condition & another supporting facilities

Air Tawar 03 Estate

- **Boundary pole** at Block 9 Division 1A adjacent of Seluyut Village: there was installed pole by Malaysian Mapping Department (Jabatan Ukur dan Pemetaan Malaysia – JUPM).
- **Seluyut river** at Block 1 Division 4 (conservation area/buffer zone): the area is managed and under control of Environment Agency of Johor (Jabatan Alam Sekitar).
- **Chemical store, Fertilizer Store, Equipment store:** Observation of carried out EHS inspection of stores and materials
- **Harvest area** at Block 10 Division 1 B: an interview session with harvester.
- **Pesticide Spraying** activity at Block 8 Division 1A: observed and interview the workers.
- **Pruning, Pesticide & fertilizer** application at Block 10, 7 Division 4: observation and interview of workers
- **Chemical Store:** observation of chemical store established (proper ventilation in place).
- **Worker housing** : observation of house condition & another supporting facilities

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ST-2	<p>Consultation of stakeholders was held by:</p> <ol style="list-style-type: none"> 1. Public Notification at RSPO Website on 17 April 2015 2. Public consultation meeting with: <ul style="list-style-type: none"> - Internal stakeholders representatives. Interview with worker union and gender committee on May 18 and 19, 2015. - Representatives of local settler of Air Tawar and related agencies. Focus Group Discussion was held on May 19, 2015. <p>Numbers of input from stakeholders have been clarified by Felda Global Ventures – FELDA and have been incorporated in this initial stage (ST-2) report.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-1) will be determined one year after certificate issued

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Air Tawar POM, Felda Global Ventures – FELDA, where operation consisting of 1 (one) mill and 4 (four) oil palm estates.

During the assessment, there were 7 (seven) Non-conformity were assigned against Major Compliance Indicator(s), 8 (eight) non-conformities were assigned against Minor Compliance Indicators, 0 (zero) non-conformance(s) against supply chain requirement for CPO mill, and 7 (seven) 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 prepared and implemented corrective actions to be reviewed by Auditors in form of documentation of evidences.

All of Major Non-conformity (seven) was closed out and 8 (eight) non-conformities were assigned against Minor still open and will verified for next audit.

MUTUAGUNG LESTARI found that Air Tawar - Felda Global Ventures, 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
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1	<p>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.</p> <p>There is a Manual Lestari which comprises of item number 3.4 <i>Prosedur Komunikasi Penglibatan Dan Rundingan (No Dokumen: ML-1A /L2-PR3 (0)</i>. Dated: Mac 2012. In the document is clearly stated the procedure of communication and involvement for the public. It is clearly highlighted on the details procedure on how should the internal and external communication shall be carried out. And also the process of how to communicate with their own staff and workers.</p> <p>Based on stakeholder consultation dan field visit interviewed with a few smallholder (<i>peneroka</i>) that knows if Felda was maintain their communication to community surround and another parties. For example, the smallholders was informed that the Felda always share the price for palm oil through daily resits and monthly documentation for the smallholder.</p> <p>There is no significant negative issues or complaint to Felda Air Tawar in related of plantation and mill operations. There is a logbook for letter coming in and going out, and it is clearly recorded in the logbook. Also, the feedback give by management is clearly stated in the logbook. However in one of the estates, they failed to provide management response of the incoming letters that they received. NCR 2015. 01 Major 1.1.2</p> <p>Auditor Observation 02 Nov 2015 The Air Tawar POM and Felda Air Tawar 2 was sighted document of Complaint Book (Record) however not yet clear evidence of records of requests for information and responses.</p> <p>October 29, 2015 The Air Tawar POM and Felda Air Tawar 2 was sighted document of Request Book (Record) with complete</p>

response from the management. Based on evidence was sighted by the Air Tawar POM & Air Tawar 2, the NCR is Closed		
1.1.2	Status: Non Compliance 2015.01 Major	Closed
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.		
<p>Document verification at the mill and the sample estates shows that all the documents such as Complaint and Grievance Standard Operation Procedure (ML-1A/L2-PR4), Land titles, Social Impact Assessment and other is available at the management office. The community is allowed to access the document upon request to the management unit. Confidential documents such as pay slip of workers, contract agreements and financial statements are not disclosed if and when permitted by the scheme managers.</p> <p>Based on stakeholder consultation and field visit interviewed with a few smallholder (<i>peneroka</i>) that knows if Felda was maintain their communication to community surround and another parties. For example, the smallholders was informed that the Felda always share the price for palm oil through daily resits and monthly documentation for the smallholder. There is no significant negative issues or complaint to Felda Air Tawar in related of plantation and mill operations.</p>		
	Status: Comply	
1.3 Growers and millers commit to ethical conduct in all business operations and transactions.		
<p>There is a written policy on committing to code of ethical conduct with reference to Policy of Ethical Conduct and Integrity (<i>Polisi Kod Etika Kerja dan Integriti</i>), signed by Datuk Faizoull Ahmad, Pengarah Besar Felda. Dated 01.06.2014. The policy was provide in Malaysia language and was established, documented and effectively displayed in the meeting room. Sighted the policy includes code such as no bribery in workplace, no self-interest at all time, truthful & dedication in work and always maintain professionalism. Interview with foreign workers and local staff who able to explain to the audit team at least the contents of the ethical policy.</p>		
	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.		
<p>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. Relevant required licensing and document such as MPOB license, competence driver license, land title, land lease agreement, etc observed.</p> <p>Based on the site assessment, interviews and evidence checking at the estate, there were evidences of compliance with the relevant laws, regulations, local and International laws.</p> <p>However, there was a lapses in ensuring compliance to legal requirements. The following lapses were recorded:</p> <ul style="list-style-type: none"> Noise hazard signage was not posted at the vertical sterilizer area and the operator was not using hearing PPE The PMA for the electrical hoist at the workshop was not sighted Firefighting hose reels were either damaged, missing or being used for other purposes. Scheduled waste (SW305) was stored on site for more than 180 days There was no competent person operating for POME treatment plant Evidence of submission of accident register Form JKPP 8 to DOSH was not sighted at POM and 02 Open burning of solid waste was recorded at the workers quarters Medical surveillance was not conducted for all workers carrying out pesticide spraying as recommended in the CHRA CSDS for Surfactant was not available at Chemical store of Air Tawar 2 <p>NCR 2015.02 Major 2.1.1</p> <p>There were no cases of any violation or actions imposed by relevant authorities. Communication to scheme smallholder on legal requirements observed at satisfactory level. Evaluation of compliance performed and found compliance with relevant requirements. Yearly review of legal compliance observed. Tracking of law changes system defined.</p>		

The Legal Register was not up to date and the following was not listed:

- Environmental Quality (Clean Air) Regulations 2014
- Occupational Safety & Health (Classification, Labelling & Safety Data Sheet of Hazardous Chemicals) Regulations 2013.

NCR 2015.03 Minor 2.1.4

Auditor Observation

Sept 14, 2015

The management unit of Air Tawar POM has been sighted :

- Evidence of Form JKPP 8 submitted to DOSH on xx sighted.
- Sighted application to conduct medical surveillance for Felda Air Tawar 02 Estate for 8 workers dated 6/5/2015

Oct 06, 2015

The management unit of Air Tawar POM has been sighted :

- Consignment Note for Schedule Wastes from Air Tawar POM
- The document of training propose for competent person operating for POME treatment plant however not sufficient evidence that the personal in charge was trained.
- Letter from Manager of Air Tawar POM to Electrical Chargeman for Terminate the operational of Hoist
- 5MT Workshop (**Observation**)
- Quotation from Aneka Gear & Engineering Supplies Sdn.Bhd to Air Tawar POM. There was available evidence (pictures) of Firefighting hose reels installed.
- Invoice from Ady Warna Enterprise to Air Tawar POM in related to installed of Noise hazard signage at the vertical sterilizer area. There was available evidence of signboard installed.
- Minutes of Meeting for prohibition to open burning and Picture of cleansing process for Open Burning residue at the workers quarters
- Letter from Dhillon Clinic Kota Tinggi about delay time of Medical Surveillance result for all workers carrying out pesticide spraying (24 Sept. 2015)
- Evidence of MSDS for Surfactant at Chemical store of Air Tawar 2 was sighted.

Oct. 29, 2015

The company was sighted evidence of :

- Invitation letter from Executive Training HRD Department of FGV (Number: (99) 010/HQ/882/PP, dated 2 September 2015) to related personnel in charge about Course For Certified Environmental Professional in the Treatment of Palm Mill Effluent (Pond Process) – (CEPPOME).
- List of Participant in Course For Certified Environmental Professional in the Treatment of Palm Mill Effluent (Pond Process) – (CEPPOME), dated 7 – 12 September 2015

Nov 13, 2015

The management of Air Tawar POM has been sighted evidence of Certificate *CEPPOMETs* on behalf of Muhamad Sufian Bin Sarif, issued by Ministry of Natural Resource & Environment Malaysia. The related course has been done on September 7 till 12, 2015.

Based on all evidence was sighted, the NCR is **Closed** for **NCR 2015.02 Major 2.1.1**

The company not yet shown the evidences of up to date Legal Register.

Open for **NCR 2015.03 Minor 2.1.4**

2.1.1	Status: Non Compliance 2015.02 Major	Closed
2.1.4	Non Compliance 2015.03 Minor	Open

2.2

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

The Air Tawar complex has legal right on land ownership from land office and FELDA. All the four estates have a clear legal lease from the state government. Based on document Map by Malaysian Mapping Department (Jabatan Ukur dan Pemetaan Malaysia – JUPM), issued by Jabatan Ukur Johor that knows is any 241 boundary poles at Air Tawar plantation concession. Those boundaries pole was installed in early period when the smallholder program was begun

and will check if any land dispute or replanting was carry out. Physical boundary markers were established and no land dispute was recorded.

Based on field visit inspection of estate boundaries on Air Tawar 2, for example at Block 4 Division 1 adjacent of Asahi Plantation (another Plantation Company), there was installed boundary pole and make of moat. Such as field visit on Air Tawar 3, for example at Block 9 Division 1 A adjacent of Seluyut Village was indicate that boundary pole has been installed.

Status: Comply

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.

The lands at the Air Tawar 2 & 3 are legally leased by Felda / FGVP from the Johor State Government as evidenced by signed agreement with the right to develop it for oil palm plantations or agriculture use. Records are available to show that the land lease complies with legal requirements. The lands are not encumbered by any customary lands or user rights. Therefore, the Air Tawar estate does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.

Based on stakeholder consultation and interviewed with smallholders was knows that no customary rights noted and no negotiated agreements as the land title from state government dated in from 1960 – 1970. FELDA is the government agency which founded to manage the resettlement of farmers (given by government or Kerajaan) and developed areas and to organize smallholder farms of palm oil plantation; and also managed the government's land for palm oil plantation. There was clear for all the land ownership under FELDA managing which had no need compensation regarding the land status or the customary rights.

Status: Comply

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.

Annual budget for mill and estates observed for year 2015 ~ 2019. Proper budget data observed and showed good projection towards next five years.

No replanting programme projected for next 5 years. The next replanting cycle expected to be start around year 2030.

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.

Air Tawar Palm Oil Mill was certified with ISO 9001, ISO 14001 & OHSAS 18001 since January year 2015. Maintenance of certification observed and under AJA certification. Quality, Occupational Health & Safety and Environmental management system developed for Air Tawar Oil Mill observed. Total 26 management procedures developed for the whole QOHSE management system. Sufficient coverage observed for whole developed procedures. Monitoring of Air Tawar Oil Mill QOHSE system performed by conducting internal audit on yearly basis. Daily monitoring by mill supervisor observed.

A completed set of SOP developed by R & D section for estate management observed during the audit such as Nursery Management, Replanting SOP, Pre-mature Palm Management, Mature Palm management and Palm Fertilizing management. Proper documentation control observed with specific document number assigned.

The mechanism to check the implementation of SOPs was available. Mandore system introduced for monitoring of daily operation.

Several audit conducted with specific frequency for management system and operation process:

- a) Felda Group Internal Audit
- b) RSPO Internal Audit (Yearly audit)
- c) Agronomy Audit (Yearly audit)

Proper record filing observed during the audit process for mill and estates. Records retrieval was at satisfactory level and fulfils the retention period requirement:

The Air Tawar Mill has have Record of Outsider FFB suppliers:

- Kuasa MY, 2 (Kota Tinggi), Contract No. 8442, January 2014
- Fong Tak (Kota Tinggi), Contract No. 8285, April 2012
- Wan Lhi Hin (Kota Tinggi), Contract No. 7535, January 2014
- Kim MA Oil Plantation (Kota Tinggi), Contract No. 8668, jauary 2014
- Sahul (Kota Tinggi), Contract No. 8771, September 2014
- AA Sawit (Kota Tinggi), Contract No. 90491, Novemer 2014
- Kerinat Bakti Enterprise (Kota Tinggi), Contract No. 90681, January 2012

Status: Comply

4.2

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

Records of fertiliser inputs are maintained in the database set aside for this purpose and split into each estate, these details are readily available through the database system maintained by Felda Agricultural Services Sdn Bhd. Annual fertiliser inputs are then further recommended based on this data for future applications.

Felda Agricultural Services Sdn Bhd also carries out regular annual tissue and soil sampling. The results of the analysis of the samples are used to optimise fertilizer requirements. The Soil Sampling survey is completed as part of 3-5 years rolling plan that just recommended for the period 2011/2015 whereby 20% of all estate soil is sampled each year. Records are in place for all areas tested and included block number and estate name. Each block and each result is independently logged in a spread sheet for each block.

Leaf and soil sampling analysis had been carried out annually to determine the nutrient levels for fertilizer recommendations. Subsequent fertilizing program for maintenance of soil fertility introduced for maintaining soil fertility. Fertilization activities verified during the field assessment audit and found compliance with fertilizing recommendation program. Manuring process was well monitored. Monitoring of soil fertility monitored by conducting agronomy visit on periodical basis. Other than that, use of EFB mulching observed for relevant estate for soil fertility improvement.

All palm by-products including fronds, EFB, compost, effluent and expeller are recycled. These are used as nutrients and are applied to improve organic matter and to substitute or supplement inorganic fertiliser. Fronds are also used to prevent erosion following pruning and after harvesting of FFB. In related to practices for maintain soil fertility, the auditor was field visit and observed on Air Tawar 2 at Block 10 & 7 Diision 4, Block 3 Division 1, Through to the Air Tawar 3 Block 03 Division 1 B & 4. Based on interview the personnel in charge for manuring activities was sighted that the workers was carry out the manure process and refer to fertilizer recommendations by the Felda management.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

Soil map observed for Air Tawar estates. No fragile and problematic soil observed. No peat soil available in Air Tawar estate. Soil condition verified during the site assessment, found no fragile soil exists.

Proper erosion control observed during the site assessment:

- Planting terraces had been constructed during the replanting process, Terrace construction SOP, GAP – 1.12 observed for slope 1 degree to 24 degree.
- Soft grass planted at estates and relevant programme continue.
- Establishment of silt pit observed for erosion control.

No evidence of soil erosion observed during the field assessment. Road maintenance program well planned for all estates. Estates road was at good condition during the field visit.

Status: Comply

4.4

Practices maintain the quality and availability of surface and ground water.

Water management/contingency plan established relevant situation such as disruption of water supply and flood handling. Rainfall data monitored during the agronomy visit and reflected into the monitoring report. No construction of bunds/weirs/dams across the main rivers or waterways passing through the estates. Water sampling performed on yearly basis. Good result of water sampling result observed which is far lower than the permissible limit. Procedure of

riparian area and slope identification, ML-1A/L2-PR5 observed. Riparian and buffer zone established at relevant natural waterways. Signage of buffer zone. The Auditor was observed on Felda Air Tawar 2 (Block 4, Division 1) was indicated the Temon river is flow in plantation area. Such as in Felda Air Tawar 3, based on field visit was knew if the Seluyut Simpang river is flow in plantation area (small river, like canal). The management unit of Felda Air Tawar already installed sign board as attention to do not carry out an illegal activities around of river buffer zone.

Mill effluent treatment system observed. Flow chart of effluent system observed:

- MRE
- Mixing Pond
- Anaerobic Pond
- Facultative Pond
- Bio Polishing Plant
- Final Discharge

Water usage monitored on monthly basis. Ratio water usage per metric tonne FFB observed at 1.61.

Monthly monitoring performed by taking final discharge sample by Felda Palm Industries Sdn Bhd. Final discharge water quality did not meet DOE standard. BOD and SS reading for April 2015 exceed 100 mg/l and 400 mg/l. **NCR 2015.04 Minor 4.4.3**

Auditor Observation

Oct 06, 2015

The management unit of Air Tawar POM has been sighted evidence of Program for meet DOE standard in related to BOD and SS.

Based on evidence was sighted, the NCR is **Observation**

4.4.3	Status: Non Compliance 2015.04 Minor	Observation
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4.5

Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

FELDA has a standard Manual for IPM and apply to all estates under FELDA management. Relevant Integrated Pest Management techniques implemented for Air Tawar estates. Records on planting of beneficial plants had been verified on the estates. Beneficial plants (Tunera) are found to be established along the field roads. Erection of barn owl house done at specific areas in estates. Monthly survey performed for availability of barn owl. Record of Butik Supas application observed and updated of the total application areas. Relevant control performed during the application period. Integrated Pest management (IPM) related training arranged and attended by person in-charge.

Status: Comply	
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4.6

Agrochemicals are used in a way that does not endanger health or the environment.

Written justification in SOP, ML-1A/L3-GP1 (0), effective Mar 2012 observed of all agrochemicals use had been reviewed and found acceptable. List of registered pesticide observed. Records of pesticides and their usage recorded. Yearly summary observed for used pesticide including the amount of a.i per hectare and number of applications. Reducing trend observed in pesticide usage.

Usage of Paraquat has been significant reduced for past 5 years in all estates. Policy for Pesticide Paraquat Usage observed with the commitment to reduce the use of Paraquat gradually and achieve zero usage by the end of 2017. Erection of barn owl house observed as one of the Integrated Pest Management that contributes to reduce pesticide usage. Sufficient trainings were organized for the pesticide operators on handling and application of pesticides. Appropriate safety and application equipment had been provided and used by operators.

Sufficient pesticide store available for all estates. Control of pesticide store was at satisfactory level. Pesticide had been applied using the proven method that minimizes risk and impacts. No aerial application of pesticides observed during the field assessment audit. Several trainings conducted for continually enhance knowledge and skills of employees such as first aid training, PPE usage training, pesticide handling training and firefighting training.

Medical surveillance performed according to CHRA recommendation. Good medical surveillance result observed.

There are no pregnant or breast feeding women offered work as pesticide operator. Records interviews and field inspection was proven for this during the audit.

Status: Comply	
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4.7

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

Felda Air Tawar POM and estates have documented Safety & Health Policies that were clearly displayed at the mill and estate offices. The policies were communicated to workers and there was evidence the policies were implemented by management, workers, scheme smallholders and foreign workers. The POM has been certified to OHSAS 18001 Occupational Health & Safety Management System (OHSMS) by AJA Certification Sdn Bhd and there was evidence of implementation. A detailed hazard identification and risk assessment (HIRAC) has been conducted and OHS objective and targets have been established. The OHSMS covered conducting HIRAC, training, implementing safe work procedures, using PPE, monitoring and auditing.

Documented procedures have been established to conduct Hazard Identification, Risk Assessments and Control (HIRAC) and risk assessments have been conducted for activities and operations at the mill and Felda Air Tawar 02 were found to be comprehensive. However the HIRAC for Felda Air Tawar 03 was not sighted. **NCR 2005.05. Major 4.7.2**

Auditor Observation

Sept 14, 2015

The management unit has been sighted HIRAC of Air Tawar 03 estate dated 26/5/2015 sighted. Based on evidence was sighted by the Air Tawar 03, **NCR 2005.05. Major 4.7.2 is Closed.**

There was evidence of safety & health control measures being implemented at the mill and estates which included establishing safe operating procedures, conducting training, providing PPE, putting up safety signage and assigning specific tasks to competent persons. However there was opportunity for improvement in OHS management at the mill and estates (OBS4)

PPE has been provided which includes gloves, safety boots, safety helmet, respirators, ear plugs, ear muffs, chemical goggles and face shield. Personnel carrying out pesticide spraying and fertilizer application were verified using PPE in the fields inspected. Noise exposure monitoring and audiometric testing records were sighted at the mill but there were lapses in implementing control measures (NCR 2015.02). The CHRA and sighted at Felda Air Tawar 02 but medical surveillance did not cover all sprayers (NCR 2015.02). Ear plugs and safety helmets were provided to visitors entering the mill.

Felda Air Tawar POM has established a procedure on competence, awareness and training (FPI/L2/QOSHE-5.0) and the safety training plan was sighted. The mill had adequate competent persons, i.e. three boilerman, two electrical charginman and two authorized gas testers as legally required for high risk activities. The Permit to Work system was verified being implemented for confined space entry.

Key personnel responsible for safety and health have been appointed at the mill and estates, and supervisors were responsible for safety in the fields. Safety & Health Committees (SHC) have been established at Felda Air Tawar POM as well as the estates and consisted of representatives of the employer, employees, local and foreign workers and settlers. The latest safety committee meeting minutes were reviewed and recorded current issues and actions to be taken. However the effectiveness of the SHC could be further enhanced.

At the mill an SOP for Emergency Preparedness had been established (FPI/L2/QOSHE-14.0) and ERP teams have been set up. First aid training has been conducted and a fire drill has been scheduled for 2015. Signage for the assembly area during emergencies were clearly displayed and First Aid kits were sighted at various worksites in the mill and at the estates. However there were lapses in emergency preparedness at Felda Air Tawar 03 estate. **NCR 2015.06 Minor 4.7.5.**

Auditor Observation

Sept 14, 2015

The Air Tawar 03 has been sighted evidence of fire fighting training and fire drill conducted on 28/5/2015 sighted.

Based on evidence was sighted by the Air Tawar 03, **NCR 2015.06 is Closed**

Medical care and accident insurance coverage at Felda Air Tawar was commendable and was provided for all workers. All Felda employees were covered by SOCSO and their family members as well as smallholders were covered by group insurance *Takaful Keluarga Berkelompok*. Foreign workers were verified being covered under the Foreign Workers Compensation Scheme. All employees, smallholders and foreign workers could go to either Felda approved panel private clinics or government health care facilities for medical care.

The Accident Registers (JKKP Form 8) for the Mill and Felda Air Tawar 03 that were submitted to the Department of Occupational Safety & Health (DOSH) for year 2014 were sighted. However JKKP Form 8 for Felda Air Tawar 02 was not sighted (NCR 2005.02). Air Tawar POM recorded 185 accident free days which was displayed on a notice board outside the mill office. There were two accidents reported for Felda Air Tawar POM and supply base in 2014 which were both accidents while travelling on public roads.

4.7.2 Status: Non Compliance 2015.05 Major

Closed

4.7.5 Non Compliance 2015.06 Minor

Closed

4.8

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

Relevant training performed at mill and estates. Training for various categories of operators, including all field and staff, with regards to their duties and training needs had been reviewed and found acceptable. All RSPO aspects covered for training arrangement. Responsible trainer assigned with target date defined. Records of training for each employee had been verified and at satisfactory level. Training evaluation performed after training. No sub-contract workers at the mill and the mill workers were Felda Palm Industries Sdn Bhd employees. The Felda Air Tawar Estate 2 & 3 was sighted a few sample of training for Air Tawar employees and included of sub contractors, for example socialization of Personal Protective Used and mechanism of FFB loading from plantation area to Mill area.

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.

The Air Tawar complex were established before gazettelement of the *Environmental Quality (Prescribed Premises) (Environmental Impact Assessment) Order 1987*, and hence the EIA report was not available. The POM has been certified to ISO 14001 EMS by AJA Certification Sdn Bhd and has established and implemented a procedure for identifying and assessing environmental aspects and impacts. The *Significant Environmental Aspect & Impact Register* was very comprehensive, kept up-to-date and reflected current activities and processes at the mill. A key significant aspect identified at the mill was sterilizer condensate and documented environmental objectives and targets have been established. Environmental aspects and impacts have been identified at the estates using a standard procedure and the registers were sighted. However a specific action plan for achieving stated objective and target set for POME discharge was not sighted. **NCR 2015.07. Minor 5.1.2**

Auditor Observation

Sept 14, 2015

The Air Tawar POM has been sighted evidences of action plan to manage environmental impacts identified

Based on evidence was sighted by the Air Tawar POM, **NCR 2015.07 is Closed**

5.1.2 Status: Non Compliance 2015.07 Minor

Closed

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.

The Felda Air Tawar Complex has have Report of High Conservation Value Identification and the Management Plan. Based on identification results was there are not High Conservation Value have identified surround of Air Tawar Plantation area. There was any few rivers of categorized as conservation area with buffer zone. The river buffer zone (*Rizab*) in Malaysia is manage and under the government control. Table below is list of conservation area in Air Tawar

complex:

No	Location	River (Conservation Area)	Buffer zone (Rezab)
1	Felda Pasak	Seluyut & Minchu	under control and manage by government
2	FGVP Air Tawar 1	Temon Pak Rumpit & Layau Kiri	under control and manage by government
3	FGVP Air Tawar 2	Seluyut Simpang	under control and manage by government
4	FGVP Air Tawar 3	Seluyut & Seluyut Simpang	under control and manage by government

There was three point as an evidences from stakeholder consultation with related agency:

- Forestry Agency (Jabatan Perhutanan)
There was no protective forest area in South Johor, particularly in Air Tawar Complex.
- Protection for Wildlife and National Park Agency (Jabatan Perlindungan Hidupan Liar dan Taman Negara – PERHILITAN)
There was no issue related to wildlife.
- Indigenous Welfare Agency (Pejabat Kemajuan Orang Asli)
There was no area under manage of local customary right and related issue surround of Kota Tinggi area.

The Auditor was observed on Felda Air Tawar 2 (Block 4, Division 1) was indicated the Temon river is flow in plantation area. Such as in Felda Air Tawar 3, based on field visit was knew if the Seluyut Simpang river is flow in plantation area (small river, like canal). The management unit of Felda Air Tawar already installed sign board as attention to do not carry out an illegal activities around of river buffer zone. The personal in charge from Felda Air Tawar was inform if the buffer zone (Rezab) was under manage and control by the government agency namely Jabatan Parit dan Saliran Daerah.



The management of Air Tawar complex has shown the plan for management and monitoring of conservation area. The activities was carry out by management of Felda Air Tawar complex are:

- Identification of conservation area based on rule by government
- Protect of river buffer zone from chemical activities
- Training for biodiversity inventory by cooperation with Protection for Wildlife and National Park Agency
- Socialization of conservation area to employee and smallholders peasant
- Installed of sign board in related conservation area

The Felda management was showed of awareness process of RSPO included HCV area and the compliance. The evidence has verification is Official Report of RSPO awareness dated 17 February 2015, Attendant List and pictures.

Status: Comply

5.3

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

The estates and mill have documented action plans to reduce environmental impacts through 3R (Reduce, Reuse or Recycle) which covered solid waste (i.e. fertilizer bags, tyres, empty containers, paper, domestic waste, contaminated containers) and by-products (i.e. EFB, POME, Shell, PPF). The 3R plans for the mill, Air Tawar 02 and 03 estates were sighted and there was evidence of implementation of the 3R plans. There were also plans to reuse byproducts which included mulching EFB in the fields which could be enhanced (OFI 1). Solid waste from Air Tawar 02 Estate and the

Mill was collected thrice weekly and disposed at the landfill in Bandar Penawang which was approved by the local authority, *Lembaga Kemajuan Johor Tenggara (KEJORA)*, whereas at Air Tawar 03 estate solid waste was disposed at a landfill within the estate at Peringkat 4 Block 01. Solid was well managed at the settlers villages at the estates but there was poor at the workers quarters at Air Tawar 02 (NCR 2005.02). The mill has established a SOP for waste management (FPI/L2/QOSHE-9.0) and implementation was verified. Scheduled waste generated at the mill include Hydraulic oil (SW 304), Used oil (SW 305) and Contaminated filters (SW 410). Scheduled waste was being collected by Kualiti Alam Sdn. Bhd., a contractor licensed by the Department of Environment (DOE), and the Consignment Note system was verified being used.

Status: Comply

5.4

Efficiency of energy use and use of renewable energy is maximized.

The boiler at the mill was new, i.e. operating since 2012, fired PPF and shell (70:30 ratio) and electricity was generated using a steam generator. The boiler was new (i.e. operating since 2012) had an automated conveyor fuel feeding system and the throughput of vertical steam sterilizer was being optimized. The electricity usage data for the mill was being monitored and was reviewed. There was a notable drop in efficiency in April - May 2015 which was caused by the mill using electricity from TNB due to breakdowns and a scheduled mill shutdown for the boiler inspection by the Department of Occupational Safety & Health (DOSH) on 7/5/2015. The POM monthly energy usage records for kW/ MT FFB and RM Diesel/ MT FFB was sighted. At Air Tawar 03 estate, trials of mechanised FFB collection were on going.

A plan for improving efficiency of the use of fossil fuels and optimize renewable energy was not sighted. **NCR 2015.08 Minor 5.4.1**

Auditor Observation

Sep 21, 2015

The Air Tawar POM has been sighted evidences:

- Monitoring of diesel used in 2014
- Plan for reduce diesel use (2016-2025)

Specific action plan to reduce Diesel not complete /sighted, the NCR is still **Open**

5.4.1 Status: Non Compliance 2015.08 Minor

Open

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.

Felda has a documented Policy prohibiting open burning that has been authorized by top management. The policy was displayed at the estate offices and has been communicated to workers and smallholders. There were no replanting activities being carried out at any of the estates and there was no evidence that fire was used in the past for preparing land for replanting activities. There was no evidence of open burning sighted the Felda Air Tawar 02 Blocks 3 & 4 and Felda Air Tawar 03 blocks 3, 7 & 10 estates that were inspected.

Status: Comply

5.6

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

POM Air Tawar has conducted an assessment of polluting activities and the register of significant impacts was documented. The mill has established documented objectives and targets for the year ending 31 December 2015 to improve performance of effluent discharge and discharge of surface runoff via the monsoon drain.

Emissions to air from the boiler stack were being monitored using a Continuous Emission Monitoring System (CEMS) that was linked directly to DOE. Isokinetic stack sampling was also carried out biannually by an accredited laboratory, Spectrum Laboratory Sdn Bhd (SMM No 106) and the results that were submitted to DOE. The stack emission results reviewed were verified showing good compliance to stipulated legal air emissions limits. Intermittent emissions of black smoke plumes was not sighted throughout the audit.

Felda Air Tawar mill has a Anaerobic-Facultative-Biopolishing Pond POME treatment system. POME was monitored monthly by an accredited laboratory, FGV Laboratory Pengeli (SMM 644), and the results were submitted to DOE

quarterly as stipulated in the DOE license. Performance monitoring was being carried out monthly and data was sighted. The laboratory technician in charge of the WWTP was experienced.

GHG emissions have not yet to be identified and plans to reduce or minimise GHG have yet to be developed.

NCR 2015.09 Major 5.6.2.

Auditor Observation

Sep 21, 2015

The management unit has been sighted evidence Plan for Pollution Reduce 2015.

Oct. 29, 2015

The management unit has been sighted evidence of GHG emission identified and has been calculated for each unit of Felda Air Tawar. Plan for Pollution Reduce 2015 was sighted too.

Based on evidences was sighted, **NCR 2015.09 is closed.**

Due to this there was not yet to be a system in place nor the appropriate tools to monitor it.

NCR 2015.10 Minor 5.6.3.

Auditor Observation

Nov. 02, 2015

The company has been sighted an evidence of

GHG Report submission to RSPO Secretariat, dated Sept 18, 2015.

GHG for Felda Mills calculated by Felda Sustainability Unit at Felda Corporate Level & done by officer in charge of the south region. The methodology used is the RSPO Palm GHG Calculator methodology which is done online and submitted online to RSPO.

Based on evidence was sighted by the company, the NCR is **Closed.**

5.6.2 Status: Non Conformance 2015.09 Major

Closed

5.6.3 Non Conformance 2015.10 Minor

Closed

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.

Social Impact Assessment (SIA) has been carried out. These report is described of positive and negative impact by plantation and mill operational, plan for monitoring and manage those impacts. The company will monitoring and manage that aspects below:

- Access of community to facilities (road and recreational area)
- Additional activities of community for welfare increasing (provide of market area and skill training)
- Religion and cultural aspect (provide of mosque)
- Access to education and health facility (provide of school and health facilities adjacent pantation area)
- Transportation infrastructure, communication process and migrant influence (implies to income of local people)
- Replanting program (positif and negative impacts)

There were questioners as a tools that the company used for gathering information and available of attendant list dated on 2010 and 18 October 2012. There are documents on the assessment (Survey & Questionnaire) that have completed. Also, the management has provide prove on the participation on the affected parties (Stakeholders – internal & external). The evidence on the external stakeholder was identified by the attendance list from the report given. Based on stakeholder consultation and field visit observed in area surround and interview with smallholder that was shows a few facilities develop by Felda management. For example: sport facilities and kindergarten school building, etc. Most of stakeholder was informed that Felda was carry out a few program for increase the smallholders welfare.

However, they failed to provide plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified. They also failed to provide the affected parties, documented and timetabled, including responsibilities for implementation. **NCR 2015. 11 Major NCR 6.1.3**

Auditor Observation

Sept 14, 2015

The company has been sighted SIA mitigation plan for the current years.

Based on evidence was sighted by the company, **NCR 2015. 11 is Closed.**

6.1.3	Status: Non Compliance 2015.11 Major	Closed
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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.

The company has a Communication Procedure (ML-1A/L2-PR3 (0), March 2012. These aim to provide a system of communication with internal and external parties related to the environment around the area, hazards and risks in the workplace. In the policy also stated about the responsible of Mill Manager and the responsibilities communicating with the head office and any other government bodies. Other than that, each POM & Supply base has assigned one communication officer as person in-charge for any issues.

Based on stakeholder consultation and field visit to any plantation area of smallholders (peneroka), there is no significant negative issues or complaint to Felda Air Tawar. The Felda Air Tawar oftentimes meeting with smallholders surround or by representation of smallholders, for example discuss about the daily basis updating the price for palm oil.

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 parties.

Manual Lestari 1 A, 3.5 (*Prosedur Menangani Aduan dan Rungutan ML-1A/L2-PR04 (0)*) has established in the company. There is a policy and procedure for dealing with complaints and grievances at the POM and Estates Air Tawar 2 and Air Tawar 3.

Based on the document review and clarification with the employee, there is no complete documentation being done for the complaint and grievance. They have documented the problem arise, and when do they solve the problem that related to the workers facilities. There are also record book for Complaints from The Smallholders, and the book is complete and updated. Other than that, they also have a logbook for complaints from the stakeholders and also the smallholders, but the response and feedback part is incomplete. **NCR 2015.12 Major 6.3.2**

Based on stakeholder consultation and field visit to a few plantation area of smallholders (peneroka), there is no significant negative issues or complaint to Felda Air Tawar. The Felda Air Tawar oftentimes meeting with smallholders surround or by representation of smallholders.

Auditor Observation

Sept 14, 2015

The management unit of POM & Air Tawar 3 has been sighted evidence of response and feedback to complaint.

Based on evidence was sighted by the management unit, **NCR 2015.12 is Closed.**

6.3.2	Status: Non Compliance 2015.12 Major	Closed.
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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.

FELDA is the government agency which founded to manage the resettlement of farmers (given by government or Kerajaan) and developed areas and to organize smallholder farms of palm oil plantation; and also managed the government's land for palm oil plantation. There was clear for all the land ownership under FELDA managing which had no need compensation regarding the land status or the customary rights.

The company (FELDA) has procedure for compensation calculating Rights and Custom Legislation (Prosedur Mengenalpasti Hak Perundangan dan Adat) to resolve the conflict between the settlers and management. Clearly stated the process flows of the way to resolving the issues, issued March 2012. In the procedure mentioned that the resolution will be processed with the involved parties regarding the issues raised and based the negotiation the compensation will be given in accordance with the calculating of compensation and all of negotiation will be involved the government agency such as Pejabat Tanah dan Jabatan Kemajuan Orang Asli (or the land government agency and the origin communities government agency).

Based on documents verification, information from staff of plantation and stakeholder consultation was known that there is no compensation processes in areas managed by the Felda Air Tawar. All lands are managed today is a land that has been set by the Kingdom of Malaysian since early period of company operates.

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.

Everyone, staff and workers have received their official offer letter and in the offer letter for every staff is clearly stated on payment terms, and the break ups. Besides, all of the staff were given employee handbook which contains holiday entitlement, maternity leave, working hours and any other related matters. Based on auditor interviewed to the worker, Ammar Bin Tazul, that inform his total salary is RM1, 125.00 per month and his salary slip is clearly stated the deductions of KWSP, Perkeso, and etcetera.

And same goes to Md Fadhli Bin Mukri (851014-01-5939) and Muhamad Sufian bin Sarif (901106-04-5249). Muhamad Sufian received a letter of promotion on the 31 Mac 2015 and in the letter has clearly stated the details of the job offer, the new salary offered to the employee and also the KWSP (The Company will contribute 16% and the officer will contribute as much as 11% of the basic salary to EPF. This is aligned with the Malaysian law). However, the management failed to provide the foreign workers contract agreements that have been signed by the workers and the management. **NCR 2015.13 Major 6.5.2**

Auditor Observation

Sept 14, 2015

The management unit has been show the example of workers contract agreement (from Indonesia) that have been signed both by the workers and the management.

Based on evidence was sighted by the management unit, **NCR 2015.13 is Closed.**

Based on field visit for check the house and supporting facilities of Indonesia worker quarter that shows the facilities was permanent building with another supporting facilities (electricity, clean water, bathroom + toilet, mosque, sport ground, canteen, etc). The company also provided the shop for miscellaneous goods for the employee. Based on interview with the workers that knowed Felda Air Tawar was provide mini shop (kedai) around the plantation area and the workers can access for everyday.

6.5.2 Status: Non Compliance 2015.13 Major

Closed.

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.

There was the published policy for worker unions and freedom of association in FELDA and available in the estate. With reference on the *Polisi Hak Kebebasan Bersuara & Menganggotai Kesatuan*, 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 interview of the Head of workers union, there was labour union namely Kesatuan Pekerja-Pekerja FGV Plantation Malaysia and the Kesatuan Pekerja-Pekerja FPI Semenanjung (The Workers Union of FGV Plantation Malaysia). The Felda management was support the workers union, for example support for sport competition (football and volley ball) among the workers in special even (sukan).

However, the management unit only has a policy but they failed to provide any documentation that they have practice the policy that they have. **NCR 2015.14 Minor 6.6.2**

Auditor Observation

Sept 14, 2015

The management unit has been show the evidence of documentation and proof for minutes of meetings with main trade unions or workers representatives in March 10, 2015 (Minutes of meeting, Attendant list & pictures)

Based on evidence was sighted by the management unit, **NCR 2015.14 is Closed.**

6.6.2 Status: Non Compliance 2015.14 Minor

Closed

6.7

Children are not employed or exploited.

There are available Policy ML-1A/L2-PO9 (0), issued by President Director of FELDA, dated December 20, 2010 and The Felda Golden Ventures - Plantation has a policy regarding the minimum age. Published and signed by President & CEO of Felda Global Ventures. In the policy, they has explained that children under the age of 18 are not allowed to work in accordance with applicable regulations. The policy has been clarified by going through the staff list and their identification card number and it has prove that all employee are more than 18 years old.

Based on field visit, for example in harvest area at Block 10 Division 1 B and Pruning, Pesticide & fertilizer application at Block 10, 7 Division 4: that shows there was no workers under 18 years old and prohibited the children workers.

Based on interview with migrant workers from Indonesia and Bangladesh that said if Malaysian authority has have a policy for prohibition to workers follow by their family to Malaysian Peninsular.

Status: Comply

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.

The FGV - Plantation has had a policy of equal opportunities for work, published and signed by President & CEO of Felda Global Ventures, dated June 1, 2014. In the policy explained that management will ensure that all workers will get the same opportunities without looking at the nationality, citizenship, religion, physical condition, sex, age, membership organizations and political affiliation. The policy is available in each estate and management unit.

The worker / the migrant worker, TKA and TKI also received an equal opportunity and facilities as others. Same goes to the staff under Felda, they are provided with equal facilities as well. The staffs that have been interviewed, mentioned that they are provided with housing, loan and Hari Raya funds. Furthermore, for Kelab Kebudayaan Dayabudi, the management has provided them with contribution of RM7, 000.00 for the club activity. Other than that, the female staff is free to go for break and breast-feed their baby at home.

Based on stakeholder consultation with smallholders, gender committee and interview of migrant workers (Indonesia & Bangladesh) was indicated there are no discriminated against among others. They inform as long as the migrant was comply to all requirement for entry to Malaysia and has have a permit to work, they can working based on their agreement with Felda.

They have no records on the recruitment selection, hiring and promotion and medical fitness necessary for the jobs available because everything will be carried out by the Head Office Human Resource Department. They only have the evidence of promotion, and evidence that shown by the management is only the promotion letter for the staff. They failed to provide any document that demonstrated the recruitment selection, hiring and etcetera that is non-bias. **NCR 2015.15 Minor 6.8.3.**

Auditor Observation

Sept 14, 2015

The company has been sighted evidence of official letter, attendant list & pictures of new foreign employee but is not

adequate shows or included the recruitment, selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Based on evidence was sighted by the management unit, the NCR is still Open .		
6.8.3	Status: Non Compliance 2015.15 Minor	Open
6.9 Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.		
<p>There is an available Procedure of Gender Committee, Number: ML-1A/L2-PR10 (0), March 2012. In the procedure it is mentioned about sexual harassment and they way to handle the issues. Also, the management highlighted about the reproductive health. Signed by Mohammed Emir Mavani Abdullah, President & CEO FGV, and 01.06.2014.</p> <p>There is a specific flow chart on complaint and grievance mechanism on how to handle the case of sexual harassment or violence against women. This document is as a guidance to resolve the problem in relation to gender aspects. There is a policy on sexual harassment, however they failed to provide an updated documents on how the policy being implemented and communicated.</p> <p>Based on interviewing to the representative women gender committee both POM and Estates that this policy had been communicated and implemented and the woman has have their right, for example in natal period. There is no issue related to sexual harassment and woman abuse.</p>		
	Status: Comply	
6.10 Growers and mills deal fairly and transparently with smallholders and other local businesses.		
<p>The FFB prices were displayed at the POM and updated daily. Monthly report for FFB also available at POM office and distribute between the Felda manager and FFB Supplier. The FFB price is based on MPOB specification and market price. Besides the documented and displayed at the board, supplier can telephone the mill regarding the current price and also can compared the price at the MPOB online website. The management has portrayed transparency in the local business.</p> <p>There were contract with full of information of the policy, agreement and laws shown which is fair and legal. All the external outsources that worker with FTP / Felda will have a contract agreement that clearly stated the terms and the payment method. Based on the documentation review, payment to transporter every month through cheque. It is clearly stated in the agreement of the payment process and how the payment will be made every month.</p> <p>Based on interview with local contractor, was showed that the local contractor was informed that they are having advantage for increase their income in their cooperation with Felda Air Tawar, for example cooperation for loading of FFB from plantation area to Mill. The work agreement of Felda Air Tawar with local contractor is under manage of related estate.</p>		
	Status: Comply	
6.11 Growers and millers contribute to local sustainable development wherever appropriate.		
<p>There is some contributions given by the management to the contributions of the local communities. For example, school bus facilities for the students around the area. There are also, mosque and badminton area for the community to use. Other than that, the management also provide donation during Hari Raya for their staff.</p> <p>Based on stakeholder consultation was knowed that the smallholders (peneroka) was earn advantage by the cooperation with Felda Air Tawar in manage of palm oil plantation. Based on interview of one local contractor for Mill that knows if the local contractor has earn advantage by cooperation with Felda in a few activities, for example FFB transportation from plantation area to location of Mill. Interview results has showed that the community (smallholders/peneroka) has been earn the advantage since cooperated with Felda, for example a few of smallholder has develop their business from palm oil plantation to another business, for example being a local contractor for provide the vehicle for loading of FFB from plantation area to Air Tawar Mill. The work agreement of Felda Air Tawar with local contractor is under manage of related estate.</p>		
	Status: Comply	

6.12	No forms of forced or trafficked labour are used.
<p>Based on the documentation review and interview conducted at the mill there is no foreign worker worked in the mill area. Also, based on the staff record it has proven that there is only local staff worked on the mill. There are no forms of human trafficking because the management will hire workers with a proper contract and agreement.</p> <p>Based on the document verification and interviews with the management, there is no contract substitution and there are no changes in the working contract agreement.</p> <p>Based on interview of three foreign worker from Indonesia that knows if they are has have a legal document for enter and work in Malaysia. These document contained about work recruitment in related to their rights (scope of work, salary, insurance, etc) has been earn in Indonesia from the Labor Agency and they are understood before signed the contract.</p>	
	Status: Comply
6.13	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented
<p>In the policy signed by Datuk Faizoull Ahmad, FELDA Manager dated 01.06.2014 stated in the policy that FELDA will take into consideration human rights, the procedure and other policies related to the organization. FELDA also involve with the effort of supporting and also take part in various activities to support corporate social responsibilities to respect human rights.</p> <p>A policy of Human Rights were put up at the information board at all time and they do a policy refreshment every once a year during roll call (with the workers) and meeting (with internal & external <i>stakeholders</i> and <i>smallholders</i>).</p> <p>Based on interview with migrant workers (Indonesia and Bangladesh) was knows that there is no significant issue related to human right abuse. All of migrant workers was informed if they are has have a legal document for enter and work in Malaysia for 3 years later and they can renew their permit.</p>	
	Status: Comply
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.
<p>The Felda Air Tawar did not conduct new development after November 2005</p> <p>According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).</p>	
	Status: Not applicable
7.2	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.
<p>The Felda Air Tawar did not conduct new development after November 2005</p> <p>According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).</p>	
	Status: Not applicable
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.

The Felda Air Tawar did not conduct new development after November 2005

The Felda Air Tawar Complex has have Report of High Conservation Value Identification and the Management Plan. Based on identification results was there are not High Conservation Value have identified surround of Air Tawar Plantation area. There was any few rivers of categorized as conservation area with buffer zone. The river buffer zone (Rizab) in Malaysia is manage and under the government control.

The Felda Air Tawar was carry out replanting program on 2001. Table below is data of replanting area:

Planting Year	Felda Air Tawar 1	Felda Air Tawar 2	Felda Air Tawar 3	Felda Pasak	Total
2001	2,535.49	3,110.89	588.24		6,234.62
2006				66.50	66.50
2009			220.55	199.02	419.57
2012				46.53	46.53
Total	2,535.49	3,110.89	808.79	312.05	6,767.22

Status: Comply

7.4

Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.

The Felda Air Tawar did not conduct new development after November 2005

According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).

Status: Not applicable

7.5

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.

The Felda Air Tawar did not conduct new development after November 2005

According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).

Stakeholder consultation shows that there is no land tenure issue at Air Tawar Complex.

Status: Not applicable

7.6

Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.

The Felda Air Tawar did not conduct new development after November 2005

According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).

Stakeholder consultation shows that that there is no land tenure issue at Air Tawar Complex.

Status: Not applicable

7.7

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.

The Felda Air Tawar did not conduct new development after November 2005

According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second

cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).	
	Status: Not applicable
7.8 New plantation developments are designed to minimize net greenhouse gas emissions.	
The Felda Air Tawar did not conduct new development after November 2005 According to document verification and interview with management, there is no new plantation development in FELDA Ai Tawar Complex. Area of Air Tawar complex was developed on 1968 and currently they have come into second cycle of planting. As seen in the planting year data, the latest planting in Air Tawar complex was 2012 (the second cycle).	
	Status: Not applicable
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity	
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.	
<u>Best Agriculture Practices - Estate</u> <ul style="list-style-type: none"> The monitoring records for harvesting and manuring observed for year 2015 in good record keeping. Fertilizer application and Manuring in good record keeping. 	
<u>Best Manufacture Practices - POM</u> At the mill there was evidence continual improvement of emission to air and water where the following projects were verified at various stages of implementation: <ul style="list-style-type: none"> Installation of a Long Dry Fibre plant which will utilize EFB to produce long fibre as a byproduct. This project was results in cessation of incineration of EFB and the associated emission to air. Installation of a new Biogas plant at the POME ponds which will generate electivity to be fed into the national grid using the Feed in Tariff mechanism being implemented by the government (SEDA). 	
<u>Environment aspect</u> Sign board installed as attention to do not carry out an illegal activities around of river buffer zone.	
<u>Social Aspect</u> The company has conducted of Social Impact Assessment to monitoring of positive and negative impacts of Mill and Plantation Operation to community surround.	
	Status: Comply

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	MODULE E – CPO MILLS: MASS BALANCE								
1	Definition								
1.1	<p>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.</p> <p>Certification scope of AIR TAWAR POM is FELDA AIR TAWAR 1; FELDA AIR TAWAR 2; FELDA AIR TAWAR 3 and FELDA PASAK. These supply bases will be claimed as Certified sources (if AIR TAWAR POM have certified). Based on Receiving Data May 18, 20 2015, AIR TAWAR POM also received of FFB from the other sources, which is as Non-Certified sources. The Air Tawar POM has have data of monthly FFB receive from June until 18 May 2015.</p> <p>Table of FFB receive on AIR TAWAR POM from June 2014 until 18 May 2015:</p> <table border="1"> <thead> <tr> <th>FFB</th><th>Number (Ton)</th></tr> </thead> <tbody> <tr> <td>Felda (<i>own estate/inside</i>)</td><td>160,566.23</td></tr> <tr> <td>Outside</td><td>15,005.01</td></tr> <tr> <td>Total</td><td>175,571.24</td></tr> </tbody> </table>	FFB	Number (Ton)	Felda (<i>own estate/inside</i>)	160,566.23	Outside	15,005.01	Total	175,571.24
FFB	Number (Ton)								
Felda (<i>own estate/inside</i>)	160,566.23								
Outside	15,005.01								
Total	175,571.24								
	Status: Comply								
2	Explanation								
2.1	<p>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 & 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.</p> <p>Air Tawar POM has not been certified, it will verify during Surveillance audit.</p>								
	Status : Comply								
2.2	<p>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).</p> <p>Based on Standard Operating Procedure For Mill RSPO Supply Chain Certification System (No. Doc: FGVP-MSPO SCCS, Version 1.0 dated 1 March 2015) at Traceability point that explain if Air Tawar POM will be follow to RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>								
	Status: Comply								
3	Documented procedures								
3.1	<p>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:</p> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements; 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. 								

Mill management unit have Standard Operating Procedure For Mill RSPO Supply Chain Certification System (No. Doc: FGVPM-RSPO SCCS, Version 1.0 dated 1 March 2015). FPSB Kilang Sawit SOP Perkilangan untuk pematuhan Sistem Persijilan RSPO SCCS. The document contains of:

1. Management Functions & Job Descriptions: Mill Manager, Assistant Mill Manager, Weighbridge Clerk, Laboratory Analyzer, Traceability.
2. Mass Balance, Supply Chain Verification, Claim: MB Reporting of Certified CPO/PK.
3. Supply Chain Verification – FFB Delivery Plantation to Mill.
4. Supply Chain Verification – CPO/PK Delivery Mill to Customer.
5. Claim
6. Record Keeping.
7. Training.

Status : Comply

3.2

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

Mill management unit have Standard Operating Procedure For Mill RSPO Supply Chain Certification System (No. Doc: FGVPM-RSPO SCCS, Version 1.0 dated 1 March 2015). Under MB Reporting of Certified CPO/PK, the procedure stated:

Weighbridge Clerk

Receiving Material must be contain information of:

- Delivery Notes should be informed name of supply base under scope RSPO certification, stamp of RSPO Mass Balance must be available on document.
- Entering of information on Delivery Notes to the FELDA computerized systems.
- Ensuring of all information on FFB Delivery must be categorized Certified and Non-Certified
- All data records of FFB received should be reported through Reporting Spreadsheet by FELDA reporting systems.

Status: Comply

4

Purchasing and goods in

4.1

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

Certification scope of AIR TAWAR POM is FELDA AIR TAWAR 1; FELDA AIR TAWAR 2; FELDA AIR TAWAR 3 and FELDA PASAK. These supply bases will be claimed as Certified sources (if AIR TAWAR POM have certified). Based on Receiving Data May 18, 2015, Air Tawar POM also received of FFB from the other sources, which is as Non-Certified sources. Sample document for FFB Delivery Note (goods in) are:

FFB from Own Estate:

Felda Air Tawar 2

1. Gate Pass No: 01118005 (Penerimaan BTS FELDA/FPSB/FTP/FASSB)
 No. Kendaraan: JNA2954
 K.P. Pemandu: 7408100015831
 Nama Pemandu: NOR HISAM B. HJ MOHAMAD
 Syarikat: PERSENDIRIAN
 Tarikh Masuk: 17/05/2015
 Masa Masuk: 14:06:19
 Nota Hantaran/Arahan Angkut: 17248
 Buah Muda: - tandan; Busuk: - tandan; Kosong: - tandan; Mengkal: 3 tandan; Kotor: 8

2. Weighbridge Slip
 Penjual: 9084-002--06
 Nama Penjual: Felda Air Tawar 2
 Nota Hantaran: 17248
 No. Lori: JNA 2954
 Gross: 04.86 MT; Tare: 14.09.07 MT; Reject: 00.00 MT; Nett: 01.36 MT

FFB from Outgrowers

1. Gate Pass No: 02007625 (Penerimaan BTS Luar)
 No. Kendaraan: JNV 7891
 K.P. Pemandu: 015581
 Nama Pemandu: FAIZAL
 Syarikat: PERSENDIRIAN
 Tarikh Masuk: 17/05/2015
 Masa Masuk: 14:12:36
 Nota Hantaran/Arahan Angkut: 6689
 Buah Muda: - tandan; Busuk: - tandan; Kosong: - tandan; Mengkal: 9 tandan; Kotor: 4
2. Weighbridge Slip
 No Pass: 02007625
 No Akuan Terima: A00016626
 Penjual: 90681 SKB: 6063964
 Nama Penjual: KERINAT BAKTI ENTERPRISE
 No Lesen MPOB: 586045115000
 Nota Hantaran: 6689
 No. Lori: JNV 7891
 Purata Berat (BJR): 19 kg/tandan; Sampel : 3
 KPG: 19.30
 Harga/Tan: 426.53
 Jumlah Nilai: 2081.47
 Gross: 08.80 MT; Tare: 03.84 MT; Reject: 00.08 MT; Nett: 04.88 MT

Table of FFB receive on Air Tawar POM from June 2014 until 18 May 2015:

FFB	Number (Ton)
Felda (<i>own estate/inside</i>)	160,566.23
Outside	15,005.01
Total	175,571.24

Status : Comply

4.2

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

Based on Standard Operating Procedure For Mill RSPO Supply Chain Certification System (No. Doc: FGVPM-RSPO SCCS, Version 1.0 dated 1 March 2015) that explain if the POM Management will inform to Certification Body if the actual production is exceeding than certificate claim (exceeding production) and the excuses of the production exceeds causes)

Air Tawar POM has not been certified, it will verify during Surveillance audit.

Status: Comply

5	Record keeping
5.1	<p>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.</p> <p>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.</p> <p>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.)</p> <p>For further details refer to Module C.</p> <p>All data records are kept in FELDA Computerizing System. Air Tawar POM have not certified, all these supply chain requirements will be implement after Air Tawar POM getting Certificate.</p> <p>However, Air Tawar POM has Standard Operating Procedure For Mill RSPO Supply Chain Certification System (No. Doc: FGVPM-RSPO SCCS, Version 1.0 dated 1 March 2015), whereas its requirements has been clearly mention in this document.</p>
	Status: Comply
5.2	<p>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.</p> <p>There is no cooperation with independent palm kernel crush.</p>
	Status: Not Applicable

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ST-2	Not applicable at stage 2 Air Tawar POM has not been certified, it will verify during Surveillance audit.	
	Status: NA	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ST-2	Not applicable at stage 2 Air Tawar POM has not been certified, it will verify during Surveillance audit.	
	Status: NA	
3.	Implementation of Certificate and Logo is not used on product	X or√
ST-2	Not applicable at stage 2 Air Tawar POM has not been certified, it will verify during Surveillance audit.	
	Status: NA	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ST-2	Not applicable at stage 2 Air Tawar POM has not been certified, it will verify during Surveillance audit.	
	Status: NA	

3.4. Summary of RSPO Partial Certification.
Summary:

At the beginning of 2014, Felda Global Ventures Plantations (FGVP), owns and manages 72 palm oil mills in Malaysia. The time bound plan below highlights both certified units and planning for certification of uncertified units. Effective end Q3, 2014, Felda will be closing one palm oil mill operations. The time bound plan below confirms the status of 71 mills and will be reviewed again during the 1st surveillance assessment.

As of this assessment, Felda has successfully certified 28 mills and have had another 26 mills undergo main assessments between Q2-Q4, 2014. The remaining 17 mills will be audited as per the time bound plan under 1.9 above.

2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	<p>Felda has and follows the "GSA" Group Settlement Act, where all land under FELDA will abide by local and national land laws. I.e. Compliance with legal documents such as the "Land Rules Applicable to the States in Malaysia" and relevant acts.</p> <p>The group has a common human resource policy which is also cascaded to all operating units. There are several handbooks and guides, shared with employees. Examples: "Syarat-syarat Perkhidmatan Petugas Bergaji Bulan Syarikat Kumpulan" which went into effect on 1st January 2007, explains to employees their benefits and company rules. The "Syarat-syarat Perkhidmatan Pekerja Operasi Ladang" was established in 1st May 2010. There is also the "Perjanjian Bersama Kesatuan Perkerja-perkerja Felda Plantations" and "Surat Perjanjian Kontrak Perkerjaan Perkerja Asing", which are used to educate and inform employees of their rights and responsibilities.</p> <p>Issues relating to employees in all operating units are monitored on a monthly basis and reported through the monthly Head of Department meetings. Monitoring is also done via e-mail and official communications with the respective departments. For example: PSQM monitors HR related matters with the help of the internal audit team and reviewed by the PSQM Head of Department.</p>	
	Status: Compliance	
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or√
	Legal ownership of land and its land use is available for all operating units and demonstrated through the respective land titles. For the FELDA settlers program, land titled is covered under the "GSA" Act.	
	Status: Compliance	
6.3	There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.	X or√
	There is a standard complaints procedure that is communicated to all facilities and locations. The procedure, "Prosedur Menangani Aduan dan Rungutan", No. Document: ML.1A/L2-PR4(0), is made available from the head office and cascaded to all operating units.	
	Status: Compliance	
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.	X or√
	FELDA has a Social Officer based in each regional office throughout the nation, where existing scheme/settlers can share their views and concerns. On a monthly basis, the reports from the Social Officers are shared and reviewed through the monthly Head of Department meetings. Quarterly there is a "Mesyuarat Jawatan Kuasa Minyak Sawit Mampan" known as the Sustainability Steering Committee Meeting, where both FELDA and FGVP Head of Departments review on-going matters. The PSQM department will monitor any issues and reviewed with the Head of Department.	
	Status: Compliance	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	X or√
	FGVP Malaysia through its subsidiary in Indonesia, FGVP Kalimantan, has acquired land. The 2 locations are:	

	<p>1) PT Citra Niaga Perkasa (PT CNP) – 24th February 2011 2) PT Temila Agro Abadi (PT TAA) – 9th July 2013</p> <p>Both locations have undergone the RSPO New Planting Procedure (NPP):</p> <p>1) PT Citra Niaga Perkasa (CNP) – 14th January 2013, approximately 14,000 Ha. 2) PT Temila Agro Abadi (TAA) – 30th July 2014, approximately 8,000 Ha.</p> <p>No negative comments received during the NPP public notification.</p> <p>In Malaysia, FELDA has land banks that were acquired since the 1950s and has steadily increased their land bank over the past 50 years. These land banks were initial cleared and prepared for crops such as rubber, timber, palm oil and cocoa. As the demand for palm oil increased in the 1990s and 2000s, most of these cleared areas have been converted to palm oil. Given that all these areas were cleared and either prepared or planted with another crop over the past 50 years, the NPP procedure will not apply.</p> <p>For newly acquired land in Malaysia or any part of the world under FELDA, the NPP procedures will apply.</p>	
	Status: Compliance	
7.5	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.	X or√
	<p>For new land acquisitions, the RSPO NPP procedure is followed where the company will complete the required HCV and EIA assessments.</p> <p>In October 2013, FELDA acquired a mature plantation in Kinabatangan, Sabah. The plantation, known as Pontian United Plantation Sdn Bhd, was established in 1977 year, totaling approximately 14,500Ha. Given that this is a matured plantation, the company has year marked the operations for RSPO certification 2017.</p>	
	Status: Compliance	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or√
	Any new land acquisition will be done by mean of a participatory process with local villages and land owners. No complaints received during this audit process.	
	Status: Compliance	

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 ST2 Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015. 01	Major 1.1.2	<p>Records of requests for information and responses shall be maintained.</p> <p>The management has prepared a log book for request of information and some of the request have been recorded however, the response from the management is not updates or left empty.</p>	POM & Felda Air Tawar 2	Major	Prior certificate issued	The management unit should recorded & updates of management response to information request	<p>Root cause: Action taken but not recorded accordingly</p> <p>Corrective action: Sept 21, 2015 The Air Tawar POM and Felda Air Tawar 2 was sighted document of Complaint Book (Record) however not yet clear evidence of records of requests for information and responses.</p> <p>October 29, 2015 The Air Tawar POM and Felda Air Tawar 2 was sighted document of Request Book (Record) with complete response from the management.</p> <p>Preventive action: All response from management will be recorded</p>	Closed	02 Nov 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Auditor conclusion: Based on evidence was sighted by the Air Tawar POM & Air Tawar 2, the NCR is Closed		
2015.02	Major 2.1.1	<p>There was a lapses in ensuring compliance to legal requirements. The following lapses were recorded:</p> <ul style="list-style-type: none"> Noise hazard signage was not posted at the vertical sterilizer area and the operator was not using hearing PPE The PMA for the electrical hoist at the workshop was not sighted Firefighting hose reels were either damaged, missing or being used for other purposes. Scheduled waste (SW305) was stored on site for more than 180 days There was no competent person operating for POME treatment plant Evidence of submission of accident register Form JKPP 8 to DOSH was not sighted at POM and 02 Open burning of solid waste was recorded at the workers quarters 	POM & Air Tawar 2	Major	Prior certificate issued	The management unit should ensuring compliance to legal requirements.	<p>Root cause: Lack of awareness, immediate action taken</p> <p>Corrective action: Sept 14, 2015 The management unit of Air Tawar POM has been sighted :</p> <ul style="list-style-type: none"> Evidence of Form JKPP 8 submitted to DOSH on xx sighted. Sighted application to conduct medical surveillance for Felda Air Tawar 02 Estate for 8 workers dated 6/5/2015 <p>Oct 06, 2015 The management unit of Air Tawar POM has been sighted :</p> <ul style="list-style-type: none"> Consignment Note for Schedule Wastes from Air Tawar POM 	Closed	13 Nov. 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		<ul style="list-style-type: none"> Medical surveillance was not conducted for all workers carrying out pesticide spraying as recommended in the CHRA CSDS for Surfactant was not available at Chemical store of Air Tawar 2 					<ul style="list-style-type: none"> The document of training propose for competent person operating for POME treatment plant however not sufficient evidence that the personal in charge was trained. Letter from Manager of Air Tawar POM to Electrical Chargeman for Terminate the operational of Hoist 5MT Workshop (Observation) Quotation from Aneka Gear & Engineering Supplies Sdn.Bhd to Air Tawar POM. There was available evidence (pictures) of Firefighting hose reels installed. Invoice from Ady Warna Enterprise to Air Tawar POM in related to installed of Noise hazard signage at the vertical sterilizer area. There was available evidence of signboard installed. Minutes of Meeting for 		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>prohibition to open burning and Picture of cleansing process for Open Burning residue at the workers quarters</p> <ul style="list-style-type: none"> Letter from Dhillon Clinic Kota Tinggi about delay time of Medical Surveillance result for all workers carrying out pesticide spraying (24 Sept. 2015) Evidence of MSDS for Surfactant at Chemical store of Air Tawar 2 was sighted. <p>Oct. 29, 2015</p> <p>The company was sighted evidence of :</p> <ul style="list-style-type: none"> Invitation letter from Executive Training HRD Department of FGV (Number: (99) 010/HQ/882/PP, dated 2 September 2015) to related personnel in charge about Course For Certified Environmental Professional 		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>in the Treatment of Palm Mill Effluent (Pond Process) – (CEPPOME).</p> <ul style="list-style-type: none"> List of Participant in Course For Certified Environmental Professional in the Treatment of Palm Mill Effluent (Pond Process) – (CEPPOME), dated 7 – 12 September 2015 <p>Nov 13, 2015 The management of Air Tawar POM has been sighted evidence of Certificate <i>CEPPOMETs</i> on behalf of Muhamad Sufian Bin Sarif, issued by Ministry of Natural Resource & Environment Malaysia. The related course has been done on September 7 till 12, 2015.</p> <p>Preventive action: <i>All compliance to legal requirements will be monitored</i></p> <p>Auditor conclusion:</p>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Based on evidence was sighted, the NCR is Closed		
2015.03	Minor 2.1.4	The Legal Register was not up to date and the following was not listed: <ul style="list-style-type: none"> Environmental Quality (Clean Air) Regulations 2014 Occupational Safety & Health (Classification, Labelling & Safety Data Sheet of Hazardous Chemicals) Regulations 2013 	Air Tawar POM	Minor	Surveillance - 1	The company should sighted an evidences of Legal Register up to date in related to : <ul style="list-style-type: none"> Environmental Quality (Clean Air) Regulations 2014 Occupational Safety & Health (Classification, Labelling & Safety Data Sheet of Hazardous Chemicals) Regulations 2013 	Root cause: Legal register not revised. Corrective action: Preventive action: Legal register monitored regularly. Auditor conclusion: The company not yet show the evidences of up to date Legal Register.	Open	
2015.04	Minor 4.4.3	Treatment of Mill Effluent Final discharge water quality did not meet DOE standard. BOD and SS reading for April 2015 exceed 100 mg/l and 400 mg/l.	Air Tawar POM	Minor	Surveillance - 1	The management unit of Air tawar POM shall sighted evidence of BOD and SS is meet DOE Standard.	Root cause: Management had overlooked Corrective action: Oct 06, 2015 The management unit of Air Tawar POM has been sighted evidence of Program for meet DOE standard in related to BOD and SS. Preventive action: Action plan was developed and will be monitored	Observation	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Auditor conclusion: Based on evidence was sighted, the NCR is Observation		
2015.05	Major 4.7.2	All operations where health and safety is an issue shall be risk assessed A risk assessment for all operations carried out was not sighted	Air Tawar 03	Major	Prior certificate issued	The company should sighted an evidence of A risk assessment for all operations.	Root cause: Risk assessment not completely done during audit. Corrective action: Sept 14, 2015 The management unit has been sighted HIRAC of Air Tawar 03 estate dated 26/5/2015 sighted. Preventive action: Risk assessment will be monitored Auditor conclusion: Based on evidence was sighted by the Air Tawar 03, the NCR is Closed	Closed	21 Sept 2015
2015.06	Minor 4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers Emergency procedures &/ evidence of fire drill being conducted was not	Air Tawar 03	Minor	Surveillance - 1		Root cause: Estate managers were had overlooked the matter. Corrective action:	Closed	21 Sept 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		sighted					<p><i>Sept 14, 2015</i> The Air Tawar 03 has been sighted evidence of fire fighting training and fire drill conducted on 28/5/2015 sighted.</p> <p>Preventive action: Training will be provided</p> <p>Auditor conclusion: Based on evidence was sighted by the Air Tawar 03, the NCR is Closed</p>		
2015.07	Minor 5.1.2	<p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects A specific action plan for achieving the objective and target set for POME discharge was not signed</p> <p>An action plan to manage environmental impacts identified was not sighted</p>	POM	Minor	Surveillance - 1	The management unit should sighted evidences of action plan to manage environmental impacts identified	<p>Root cause: Action plan not updated accordingly</p> <p>Corrective action: <i>Sept 14, 2015</i> The Air Tawar POM has been sighted evidences of action plan to manage environmental impacts identified</p> <p>Preventive action: Action plan will be monitored</p> <p>Auditor conclusion:</p>	Closed	21 Sept 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Based on evidence was sighted by the Air Tawar POM, the NCR is Closed		
2015.08	Minor 5.4.1	A plan for improving efficiency of the use of fossil fuels A plan for improving efficiency of the use of fossil fuels and optimize renewable energy was not sighted	Air Tawar POM	Minor	Surveillance - 1	The company should sighted evidence of a plan for improving efficiency of the use of fossil fuels and optimize renewable energy	<p>Root cause: Plan for improving efficiency of the use of fossil fuels and optimize renewable energy still in progress of development</p> <p>Corrective action: Sep 21, 2015 The Air Tawar POM has been sighted evidences:</p> <ul style="list-style-type: none"> • Monitoring of diesel used in 2014 • Plan for reduce diesel use (2016-2025) <p>Preventive action: Plan for improving efficiency of the use of fossil fuels and optimize renewable energy will be monitored</p> <p>Auditor conclusion: Specific action plan to reduce Diesel not complete /sighted,</p>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							the NCR is still Open		
2015.09	Major 5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified GHG emissions have yet to be identified and plans to reduce or minimize GHG were not sighted	Air Tawar POM & Estates 02, 03	Major	Prior certificate issued	The company shall sighted evidence of GHG emissions have yet to be identified and plans to reduce or minimize.	Root cause: FGV still in progress on GHG calculation Corrective action: Sep 21, 2015 The management unit has been sighted evidence Plan for Pollution Reduce 2015. Oct. 29, 2015 The management unit has been sighted evidence of GHG emission identified and has been calculated for each unit of Felda Air Tawar. Plan for Pollution Reduce 2015 was sighted too. Preventive action: GHG emission will be monitored Auditor conclusion: Based on evidences was sighted, the non conformity is closed	Closed	02 Nov 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015.10	Minor 5.6.3	A monitoring system shall be in place The GHG report was not sighted to RSPO.	Air Tawar & Estates 02,03	Minor	Surveillance - 1	The Company should show the evidence of GHG report submission to RSPO	<p>Root cause: FGV still in progress on GHG calculation</p> <p>Corrective action: Nov. 02, 2015 The company has been sighted an evidence of GHG Report submission to RSPO Secretariat, dated Sept 18, 2015.</p> <p>Preventive action: GHG report submitted to RSPO</p> <p>Auditor conclusion: Based on evidence was sighted by the company, the NCR is Closed.</p>	Closed	02 Nov 2015
2015.11	Major 6.1.3	Negative impacts mitigation and promotion of the positive ones, and monitoring of impacts. The management fails to provide SIA mitigation plan for the current years.	POM & Estates	Major	Prior certificate issued	The company should provide SIA mitigation plan for the current years.	<p>Root cause: SIA not done yet during the audit day</p> <p>Corrective action: Sept 14, 2015 The company has been sighted SIA mitigation plan for the current years.</p>	Closed	21 Sept 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Preventive action: SIA done and will be revised accordingly</p> <p>Auditor conclusion: Based on evidence was sighted by the company, the NCR is Closed.</p>		
2015.12	Major 6.3.2	<p>Documentation of both the process by which a dispute was resolved and the outcome shall be available. The complaint log book for oncoming and outgoing letters. But the response and feedback part is left empty.</p>	POM & Air Tawar 3	Major	Prior certificate issued	The management unit should sighted evidence of response and feedback to complaint.	<p>Root cause: Action taken but not recorded accordingly</p> <p>Corrective action : Sept 14, 2015 The management unit of POM & Air Tawar 3 has been sighted evidence of response and feedback to complaint.</p> <p>Preventive action: Action taken will be recorded</p> <p>Auditor conclusion: Based on evidence was sighted by the management unit, the NCR is Closed.</p>	Closed	21 Sept 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015.13	Major 6.5.2	<p>Employment contract should be available and communicated.</p> <p>The management failed to provide the workers contract agreement that have been signed both by the workers and the management.</p>	Felda Air Tawar 2 & 3	Major	Prior certificate issued	The management should provide the workers contract agreement that have been signed both by the workers and the management.	<p>Root cause: Workers agreement was missing</p> <p>Corrective action: Sept 14, 2015 The management unit has been show the example of workers contract agreement (from Indonesia) that have been signed both by the workers and the management.</p> <p>Preventive action: Management will keep a copy of workers agreement</p> <p>Auditor conclusion: Based on evidence was sighted by the management unit, the NCR is Closed.</p>	Closed	21 Sept 2015
2015.14	Minor 6.6.2	<p>A Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p>Based on the document reviewed the management unit do not have up-to-date documentation and proof on this</p>	Estates Air Tawar 2 & 3	Minor	Surveillance - 1	The management unit should provide up-to-date documentation and proof for minutes of meetings with main trade unions or workers representatives	<p>Root cause: Meeting was done periodically, but lack of record</p> <p>Corrective action: Sept 14, 2015 The management unit has been show the evidence of documentation and proof for</p>	Closed	21 Sept 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>minutes of meetings with main trade unions or workers representatives in March 10, 2015 (Minutes of meeting, Attendant list & pictures)</p> <p>Preventive action: Meeting will be recorded</p> <p>Auditor conclusion: Based on evidence was sighted by the management unit, the NCR is Closed.</p>		
2015.15	Minor 6.8.3	<p>It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.</p> <p>The management failed to provide the auditor with the required information that have requested.</p>	Felda Air Tawar 2 & 3	Minor	Surveillance - 1		<p>Root cause: Training was done but not recorded</p> <p>Corrective action: Sept 14, 2015 The company has been sighted evidence of official letter, attendant list & pictures of new foreign employee but is not adequate shows or included the recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available</p>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Preventive action: Training will be recorded Auditor conclusion: Based on evidence was sighted by the management unit, the NCR is still Open .		

3.5.3 Opportunity for Improvement

No	Ref.Std	Description
1	Minor 4.2.4	Enhance application of EFB at the estates. Consider stacking fronds along contours to enhance water conservation and soil conservation particularly at undulating terrain
2	Major 4.4.2	Consideration for improvement of water courses and wetlands protection by adding signage on restriction of applying fertilizer and pesticide in riparian zone.
3	Major 4.6.5	Consideration to improve the staff awareness on the pesticide handling and PPE usage.
4	Major 4.7.1	Occupational Health and Safety (OHS) <ul style="list-style-type: none"> • Install and emergency eye wash &/ shower at the pesticide store &/ mixing area • Include smallholder representatives in the Safety & Health Committee and conduct a safety inspection before the SHC meeting • Ensure sickles are kept in the equipment store and kept sheathed • Consider using grating for the staircase which was at vertical sterilizer which was very slippery. • Consider plugging leakages at the steam sterilizer and improve housekeeping at the sterilizer area • One welding face shield at the workshop was broken
5	Major 4.8.1	Consideration to work out the training program for year 2015 for better monitoring.
6	Major 5.3.1	Consideration to management unit for reduce of waste (For example plastics, styrofoam, etc).
7	Major 6.9.1	Consideration to provide an updated documents on how the policy on sexual harassment being implemented and communicated.

3.5.4 Noteworthy Positive Components

No	Ref.Std	Description
1.		The Company has commitment to implement the principle of sustainable palm oil management.
2.		Has been certified for OHSAS 18001: 2007, ISO 9001:2008 and ISO 14001: 2004 .
3		Cattle was integrated in the estates which keeps undergrowth down and provides an additional source of organic fertilizer. It need to communicate with the cattle owners

3.6 Summary of Arising Issues from Public, Management and Auditor Response

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
Manager of JKKK He explains that the daily basis updating the price for palm oil through daily resits and monthly documentation do not have any problems and happy with everything. He also mentioned that FELDA also helped the smallholders a lot.	FELDA were following the guideline of daily Oil Palm price from MPOB and always put interest of settlers as their first priority.	Based on stakeholder consultation and field visit to any plantation area of smallholders (peneroka), there is no significant negative issues or complaint to Felda Air Tawar.
Agency of Cooperation Wanted to know the outcome from RSPO audit. What are the advice from RSPO for them to make it better and to make sure that everything is up to standard plus without open burning and local welfare to be taken care of.	FELDA will always follow RSPO guidelines in order to produce sustainable product. Outcome of the audit will be in the RSPO website and if there are major NCs, that will be rectified before issuing compliance certificate.	The Felda management consideration for more intensive socialization the RSPO certification scheme and their aim.
Nurse Asking whether RSPO will burden the smallholders.	No, RSPO is to follow local legislation and law as well as guidelines to and this will help smallholder for better management.	The Felda management consideration for more intensive socialization the RSPO certification scheme and their aim.
Smallholder (Peasant) Concern about wastage and open burning, several stakeholders ask what if we burn small wastage e.g.: burning dry leaf. Because it is already be part of local people life and hard to change.	FELDA have policy on open burning and this cover the domestic waste as well. Stakeholders need to understand that open burning is bad for environment and health. The culture need to be changed.	The Felda management consideration for more intensive socialization the RSPO certification scheme and their aim.
Wildlife Departmen Compliment FELDA commitment on the GAP and care about the animals in the forest especially when animals trespass the estate FELDA report to the Wildlife Dept for advice. As the land before is the habitat of elephant and pig. It is a conflict between FELDA and Wildlife Dept previously, but now everything is good.	FELDA do have internal HCV assessment and FELDA do monitor RTE and wildlife. Maybe it is possible to do arrangement with Wildlife Department to do training and awareness for our workers and settlers on the importance of the wildlife.	Based on field visit observed and interview with smallholders, there is no issue of conflict between Felda operationl activities with wildlife because the area of forest is separate and far from plantation boundaries of plantation area.

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
Teacher The school collaborates with the management to introduce to students about Zero Burning as a part of the environmental care.	FELDA will do environmental awareness and training to the students as part of our commitment for caring the environment and compliance to RSPO	The Felda management consideration for more intensive socialization the RSPO certification scheme and their aim.
Mosque Leader FELDA and the mosque community are in a good relationship. FELDA support most of the mosque activities and help to provide some facilities for the mosque.	 This s what FELDA is all about and this practice will be continued as part of sustainability initiative in FELDA	 Based on field visit observed in area surround and interview with smallholder that was shows a few facilities develop by Felda management. For example: sport facilities and kindergarten school building, etc.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<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> <table><tr><td><p>Felda Air Tawar Management Representative</p><p>Company Name Management Representative</p><p>NORAZAM ABDUL HAMEED Head, PSQM Department (Plantation Sustainability & Quality Management) Felda Global Ventures Plantations Malaysia Sdn Bhd</p><p>16 November 2015</p></td><td><p>Mutuagung Lestari Lead Auditor</p><p><u>Oktovianus Rusmin</u> 16 November 2015</p></td></tr></table>	<p>Felda Air Tawar Management Representative</p> <p>Company Name Management Representative</p>  <p>NORAZAM ABDUL HAMEED Head, PSQM Department (Plantation Sustainability & Quality Management) Felda Global Ventures Plantations Malaysia Sdn Bhd</p> <p>16 November 2015</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> 16 November 2015</p>
<p>Felda Air Tawar Management Representative</p> <p>Company Name Management Representative</p>  <p>NORAZAM ABDUL HAMEED Head, PSQM Department (Plantation Sustainability & Quality Management) Felda Global Ventures Plantations Malaysia Sdn Bhd</p> <p>16 November 2015</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> 16 November 2015</p>		

Appendix1. 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	Centre for Environment, Technology and Development, Malaysia – CETDEM	17 Jalan SS2/53, 47300 Petaling Jaya		Email	04/5/2015		✓
2	Malaysian Environmental NGOs – MENO	No. 41, Lorong Burhanuddin Helmi 11, Taman Tun Dr. Ismail, 60000 Kuala Lumpur, Malaysia.		Email	04/5/2015		✓
3	SUARAM - Suara Rakyat Malaysia	433A, Jalan 5/46, Gasing Indah, 46000 Petaling Jaya		Email	04/5/2015		✓
4	SUHAKAM - National Human Rights Society - Persatuan Kebangsaan Hak Asasi Manusia	11th Floor, Menara TH Perdana, Jalan Sultan Ismail, 50250 Kuala Lumpur.		Email	04/5/2015		✓
5	Malaysian National Animal Welfare Foundation - MNAWF	Wisma Medivet, 8, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia		Email	04/5/2015		✓
6	Wetlands International (Malaysia)	3A31 Block A, Kelana Centre Point, Jalan SS7/19, 47301 Petaling Jaya		Email	04/5/2015		✓
7	Wild Asia Sdn Bhd	Upper Penthouse, Wisma RKT, No 2 Jalan Raja Abdullah, 50300 Kuala Lumpur		Email	04/5/2015		✓
8	Manager of JKK	Kota Tinggi, Johor Darul Takzim		FGD	18/5/2015	✓	
9	Worker union	Kota Tinggi, Johor Darul Takzim		FGD	18/5/2015		
10	Gender Committee	Kota Tinggi, Johor Darul Takzim			19/5/2015		
11	Agency of Forest (Jabatan Perhutanan)	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	
12	Agency of Cooperation	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	
13	Nurse	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	
14	Smallholder Member (Peasant)	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	
15	Wildlife Departmen	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	
16	Teacher	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	
17	Mosque Leader	Kota Tinggi, Johor Darul Takzim		FGD	19/5/2015	✓	

Appendix 2. Assessment Program

DATE TARIKH	17 – 21 May 2015		
PLANNED TIME PELAN MASA	PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT	AUDITOR	
Ahad / Sunday 17 May 2015 08.40 – 11.50 13.30 – 18.30	Travelling from Jakarta to Kuala Lumpur Travelling from Kuala Lumpur to Lodging / Kota Tinggi, Johor Darul Takzim	ORN ALL Auditors	
Isnin / Monday 18 May 2015 08.00 – 09.30 10.30 – 13.00 13.00 – 14.00 14.00 – 17.00	Opening Meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification) Field Visit to FELDA/FTP Air Tawar 02: <ul style="list-style-type: none"> Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Land Application of POME) Environmental, Occupational Health & Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area) Break and Lunch <ul style="list-style-type: none"> Interview with Estate Worker Union, Local Contractor, Gender Committee. Field visit to AIR TAWAR PALM OIL MILL: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) Interview with Worker's Union Mill, Contractor of CPO Transporter, Gender Committee. 	ALL Auditors YAP DIN ND ORN ORN ND YWR DIN ND	

DATE TARIKH	17 – 21 May 2015	
PLANNED TIME PELAN MASA	PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT	AUDITOR
Selasa / Tuesday 19 May 2015 08.00 – 13.00 13.00 – 14.00 14.00 – 17.00	<p>Field Visit to FELDA/FTP Air Tawar 03:</p> <ul style="list-style-type: none"> • Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Land Application of POME) • Environmental, Occupational Health & Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) • Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) • Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) • Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area) <p>Break and Lunch</p> <p>Re-verification of field visit result and completing checklist.</p> <p>Stakeholder consultation at BALAI RAYA</p>	YAP DIN ND ORN ORN YAP, DIN ORN, ND
Rabu / Wednesday 20 May 2015 09.00 – 11.00 12.00 – 17.00	<p>Closing Meeting:</p> <ul style="list-style-type: none"> • Presentation of Assessment Findings by Auditor Team (Explanation of Identified Nonconformities and Completion of Corrective Timeline, Answer & Questions) • Auditee Response against Assessment Findings <p>Travelling from Kota Tinggi, Johor Darul Takzim to Kuala Lumpur</p>	ALL AUDITOR
Khamis / Thursday 21 May 2015 12.50 – 13.50	<p>Travelling from Kualalumpur to Jakarta</p>	ORN