

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

[√] Reduction Scope Certification

Name of Management Organisation : KERTEH Palm Oil Mill, Felda Global Ventures (M) sdn Bhd subsidiary of FELDA

Plantation Name : FASSB Kerteh Estate, FGVP Semaring 01 Estate, Kerteh 01 Estate, Kerteh 02 Estate, Kerteh 03 Estate, Kerteh 04 Estate, Kerteh 05 Estate and Kerteh 06 Estate

Location : District of Ketengah Jaya, State of Terengganu, Malaysia

Certificate Code : **MUTU-RSPO/071**

Date of Certificate Issue : 1 September 2015 **Date of License Issue** : 1 September 2015
Date of Certificate Expiry : 31 August 2020 **Date of License Expiry** : 31 August 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-1	8 August 2014	Mahaswaran Maliyapan	Ganapathy Ramasamy	Taufik Margani
ST-2	26 – 30 October 2014	Mohan Thavarajah, Mohd Hairimi Mohd Ali, Nizam Abu Bakar, Dinesh Nadarajah		
Reduction of Audit Scope	18 November 2015	Taufik Margani	Octo HPN Nainggolan	Tony Arifarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	7 December 2015

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Figure 1. Location Map of KERTEH Complex

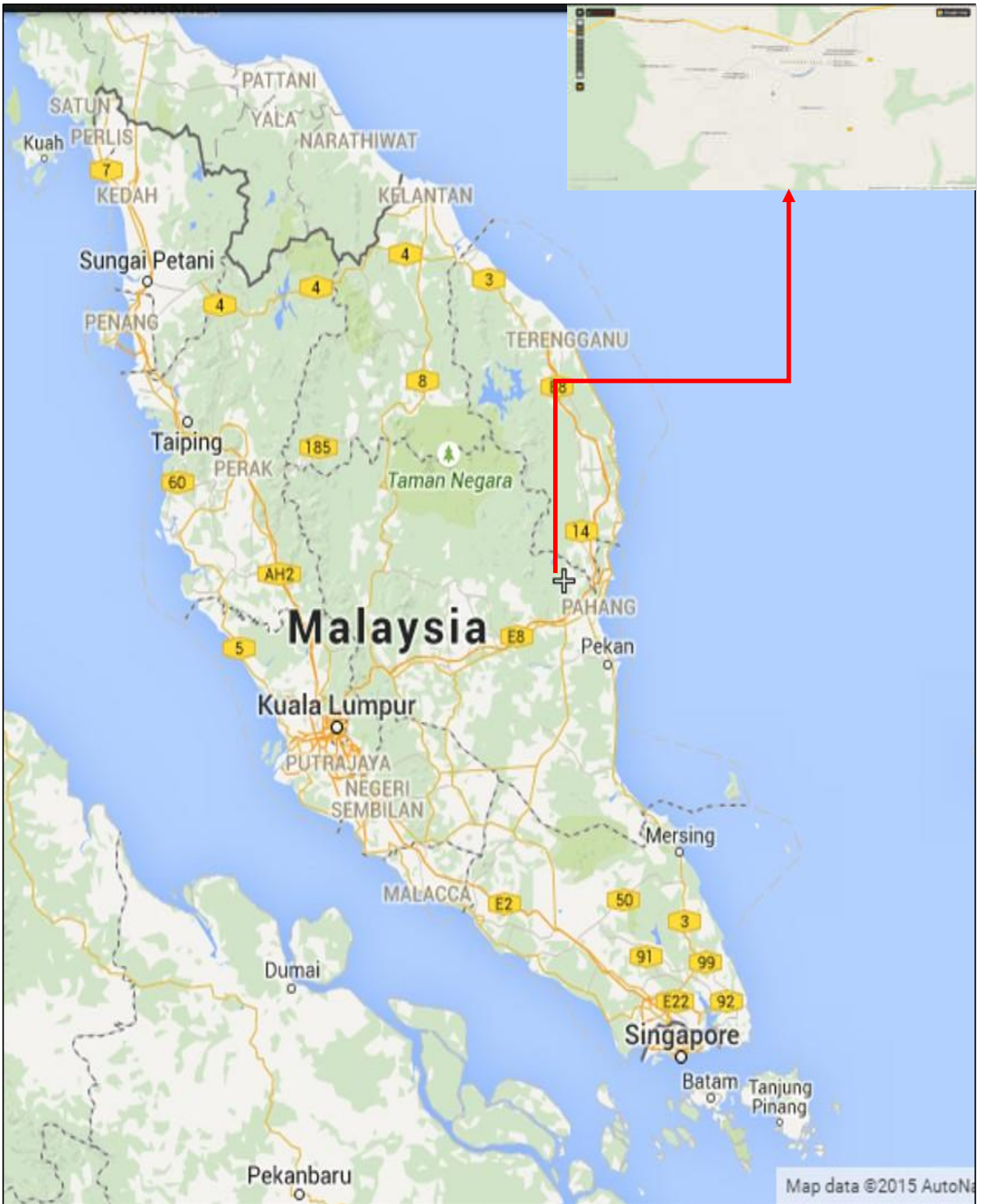


Figure 3. Location Map of FASSB KERTEH

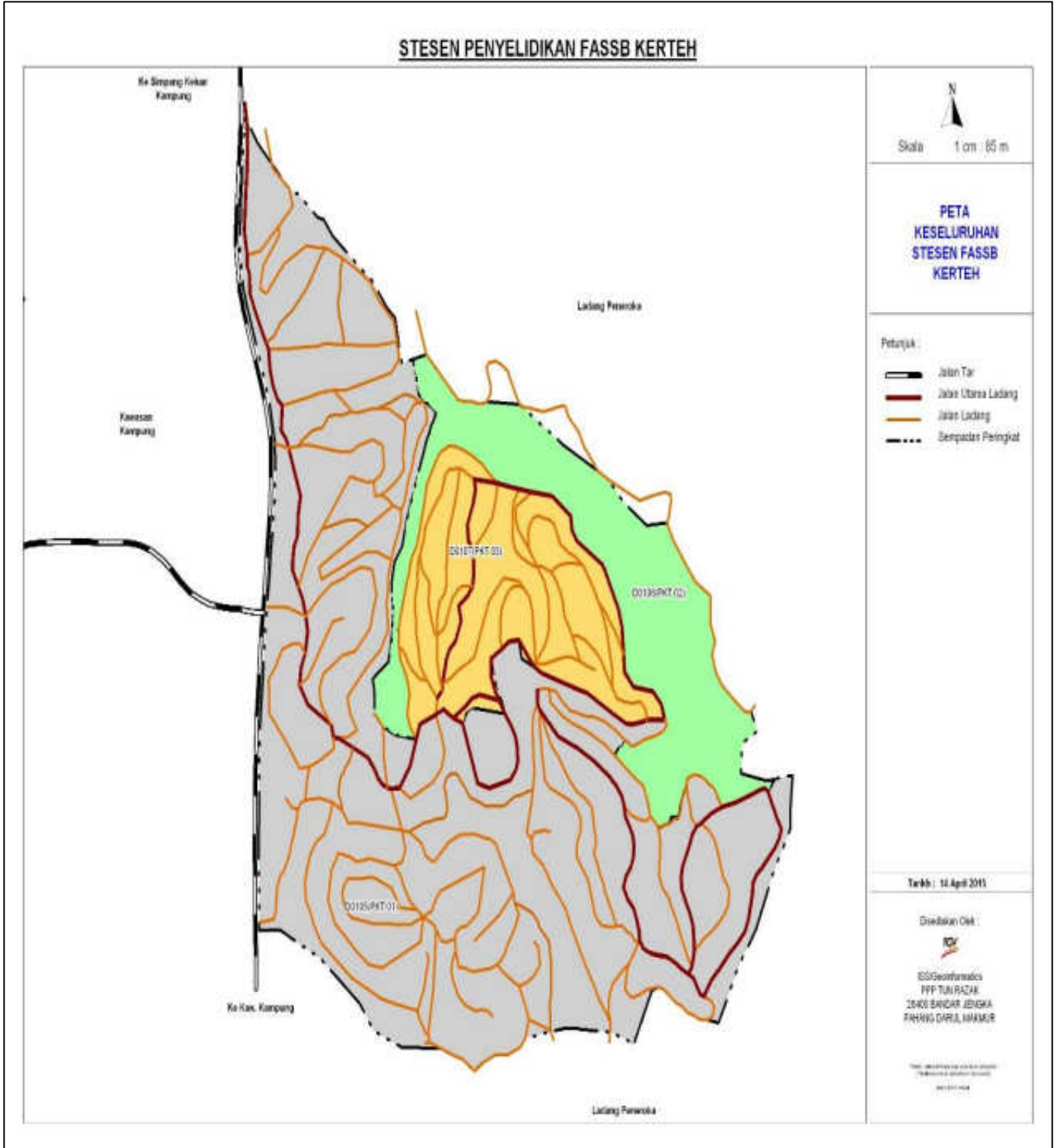


Figure 7. Operational Map of FELDA KERTEH 03 Estate

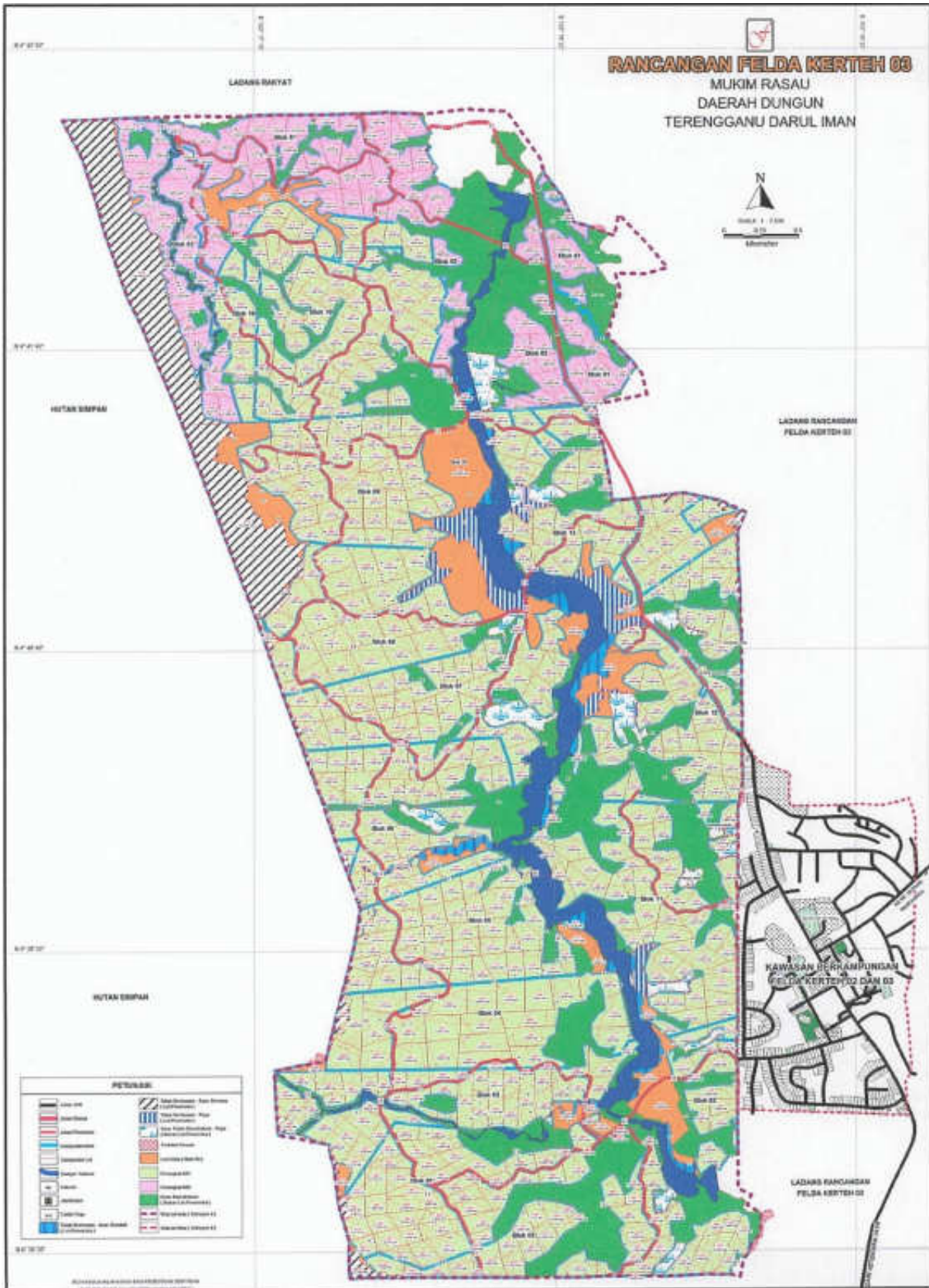


Figure 8. Operational Map of FELDA / FTP Kerteh 04 Estate

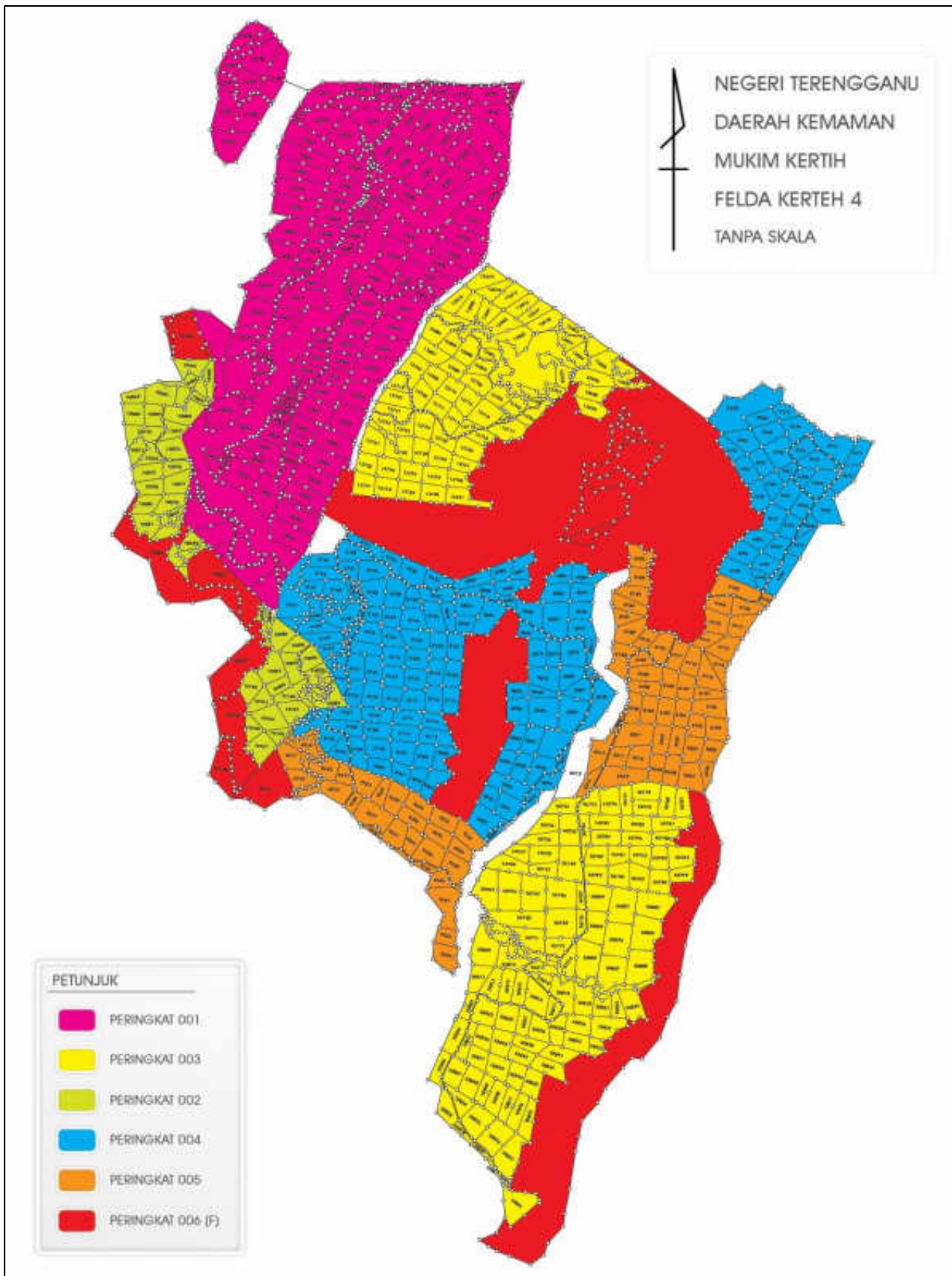
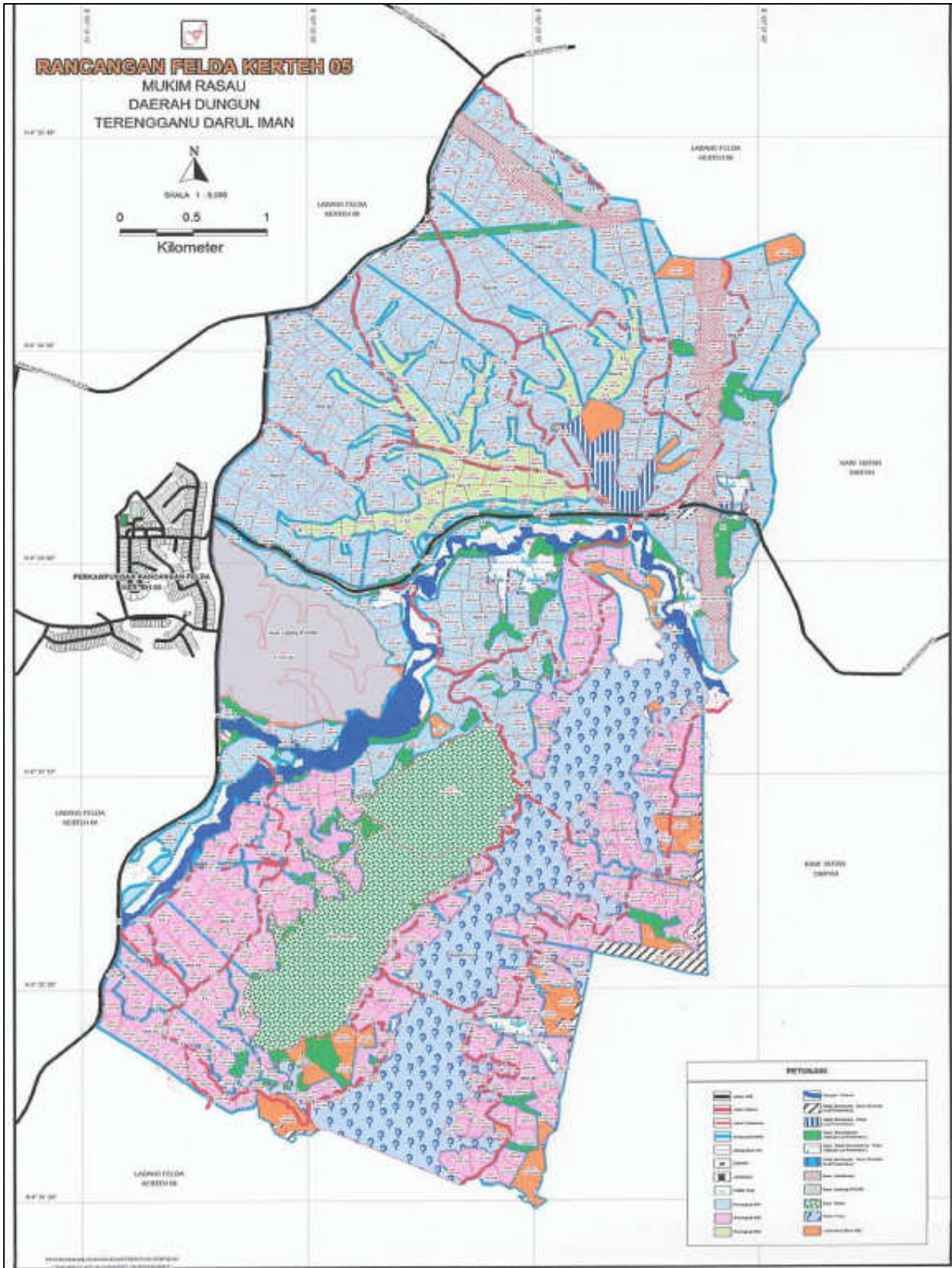


Figure 9. Operational Map of FELDA / FTP Kerteh 05 Estate



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	:	Wastewater Treatment Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • <i>Malaysia National Interpretation - RSPO MY-NIWG RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production (Including smallholder NI. Approved by the RSPO Executive Board November 2010. the baseline NI indicators and guidance are as in the approved NI dated 26 April 2008)</i> • <i>RSPO Supply Chain Certification Standard November 2011 for CPO Mill.</i> 	
1.2	Organization Information		
1.2.1	Organisation name listed in the certificate	Felda Global Ventures – FELDA	
1.2.2	Contact person	Mr. Norazam Abdul Hameed	
1.2.3	Organisation address and site address	PSQM, Felda Global Ventures Plantations (M) Sdn Bhd Level 20, Balai Felda, Jalan Gurney Satu, Kuala Lumpur, Malaysia 54000	
1.2.4	Telephone	(+603) 2600 5349	
1.2.5	Fax	(+603) 2698 7816	
1.2.6	E-mail	anthonius.s@feldaglobal.com	
1.2.7	Web page address	www.felda.net.my	
1.2.8	Management Representative who completed the application for certification	Mr. Anthonius Sani	
1.2.9	Registered as RSPO member	1-0013-04-000-00, 17 October 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment	<p>1 Palm Oil Mill and Supply by 8 (eight) oil palm estate:</p> <p>Kerteh Palm Oil Mill, FGVP Semaring 01, FAS Kerteh, FELDA/FTP Kerteh 01, FELDA/FTP Kerteh 02, FELDA Kerteh 03, FELDA/FTP Kerteh 04, FELDA/FTP Kerteh 05 and FELDA/FTP Kerteh 06</p>	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill, Plantations and Area Statement		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Kilang Sawit Kerteh	Beg Berkunci No. 3, 23309 Ketengah Jaya, Terengganu Darul Iman	N 4° 37' 33" E 103° 19' 55"
1.4.2	Location of Supply Base		
	Name of Supply Base	Location	Coordianate
			Latitude Longitude
	FGVP Semaring 01	Ladang Felda Semaring 01, P.O. Box No. 07 Pejabat Pos A.M.B.S 23400 Dungun, Terengganu Darul Iman.	N 4° 40' 20" E 103° 02' 25"

FAS Kerteh	FAS Kerteh, Jalan kelubi, Felda Kerteh 5, 23300, Ketengah Jaya, Dungun, Terengganu Darul Iman.	N 4° 34' 29"	E 103° 19' 13"							
FELDA/FTP Kerteh 01	Felda Kerteh 1, 23300 Bandar Ketengah Jaya, Terengganu Darul Iman.	N 4° 34' 13"	E 103° 18' 42"							
FELDA/FTP Kerteh 02	Felda Kerteh 2, W/Pos Felda Kerteh 2, 23100 Paka, Terengganu Darul Iman.	N 4° 40' 00"	E 103° 19' 10"							
FELDA Kerteh 03	Felda Kerteh 3, 23100 Paka, Dungun, Terengganu Darul Iman.	N 4° 39' 28"	E 103° 19' 11"							
FELDA/FTP Kerteh 04	Felda Kerteh 4, 23300 Bandar Ketengah Jaya, Dungun, Terengganu Darul Iman.	N 4° 34' 27"	E 103° 19' 26"							
FELDA/FTP Kerteh 05	Felda Kerteh 5, 23300 Bandar Ketengah Jaya, Dungun, Terengganu Darul Iman.	N 4° 34' 29"	E 103° 19' 13"							
FELDA/FTP Kerteh 06	Felda Kerteh 6, 23300 Bandar Ketengah Jaya, Dungun, Terengganu Darul Iman.	N 4° 34' 13"	E 103° 19' 10"							
1.5 Description of Area Statement										
1.5.1	Tenure									
	• State		1,352.48 Ha							
	• Community (Peneroka)		10,076.26 Ha							
1.5.2	Area Statement									
	• Total area (8 Estate + 1 Mill)		11,428.74 Ha							
	• Mature area		8,300.76 Ha							
	• Immature area		723.62 Ha							
	• Buildings		614.22 Ha							
	• Other Areas (Road, Empty Area & Others)		944.56 Ha							
	• Conservation Area (Buffer Zone & Hill Area)		845.58 Ha							
	• HCV		0 Ha							
1.6	Planting Year and Cycles									
1.6.1	Age profile of planting year									
	Planting Year	Hectarage (Ha)								
		Semaring 1	FASSB Kerteh	Kerteh 1	Kerteh 2	Kerteh 3	Kerteh 4	Kerteh 5	Kerteh 6	TOTAL
	2002	-	-	778.56	-	-	-	-	592.21	1,370.77
	2004	-	-	-	-	-	-	-	544.95	544.95
	2005	-	71.59	571.39	-	-	-	-	-	642.98
	2006	-	-	-	1,065.25	-	-	-	-	1,065.25
	2007	-	38.97	-	-	-	-	-	-	38.97

	2008	-	-	-	-	-	-	-	408.4	408.4
	2009	-	-	-	-	894.29	377.76	665.09		1,937.14
	2010	-	-	-	-	231.66	1,151.91	651.3		2,034.87
	2011	257.43	-	-	-	-	-	-		257.43
	2012	350.07	-	-	-	-	-	-		350.07
	2013	373.55	-	-	-	-	-	-		373.55
	TOTAL	981.05	110.56	1,349.95	1,065.25	1,125.95	1,529.67	1,316.39	1,545.56	9,024.38
1.6.2	New Planting area after January 2010				0 (under replanting)				Ha	
1.6.3	Planting Cycle				2 nd Cycle				Years	
1.7	Description of Supply Base									
1.7.1	Description of Mill									
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel				
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)			
	KERTEH	54	171,840.58	36,993.85	21.52	9,271.85	5.39			
	<i>*Source Production Data October 2013 to September 2014</i>									
1.7.2	Description of Certification Scope of Supply Base									
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill				
						FFB (tonnes/year)	%			
	FGVP Semaring 01	1,241.92	981.05	104.77	0.11	104.77	100			
	FAS Kerteh	110.56	110.56	2,704.47	24.46	2,704.47	100			
	FELDA/FTP Kerteh 01 (287 settlers by FELDA/FTP)	1,508.55	1,349.95	27,152.16	20.11	27,152.16	100			
	FELDA/FTP Kerteh 02 (295 settlers by FELDA/FTP)	2,020.11	1,065.25	28,900.47	27.13	28,900.47	100			
	FELDA Kerteh 03 (249 settlers by FELDA/FTP)	1,747.85	1,125.95	10,986.06	9.75	10,986.06	100			
	FELDA/FTP Kerteh 04 (302 settlers by FELDA/FTP)	1,642.72	1,529.67	5,389.83	3.52	5,389.83	100			
	FELDA/FTP Kerteh 05 (313 settlers by FELDA/FTP)	1,505.96	1,316.39	14,982.18	11.38	14,982.18	100			
	FELDA/FTP Kerteh 06 (396 settlers by FELDA/FTP)	1,651.07	1,545.56	26,118.82	16.90	26,118.82	100			
	TOTAL	11,428.74	9,024.38	116,338.76	11.46	116,338.76	100			
	<i>*Source Production Data October 2013 to September 2014</i>									
	<i>*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>									
1.7.3	other source (non certified)									
	Name of sources	Members	Location				FFB Supplied to Mill (tonnes/year)			
	Tai Ichi Enterprise	Non RSPO Certified	Semambu Indutrial Estate Kuantan Pahang				1,335.12			

Sern Enterprise Lee	Non RSPO Certified	No. 587, Kampung Payoh, 24200 Kemasek, Terengganu ,	1,638.71
Ekstrapalma enterprise	Non RSPO Certified	Ekstrapalama Plantations SdnBhd, Kg Getang Hulu, Kuala Telemong Kuala Terengganu ,Terengganu	13,656.5
Kim Ma Oil Palm	Non RSPO Certified	Kim Ma oil palm , Jertih Terengganu Malaysia	3,633.1
Budi Sawit	Non RSPO Certified	Kampung Tok Randok Ajil 21800 Terengganu	7,138.76
Risda Smallholders	Non RSPO Certified	Jalan Sultan Ismail 20000 Kuala Terengganu, Terengganu	15.65
Ketengah Jaya	Non RSPO Certified	Bandar Al muktafi Billah 23409 Dungun Terengganu	768.62
Pertubuhan Peladang	Non RSPO Certified	Wisma Peldang Terengganu, Jalan Sultan Ismail Kuala Terengganu Terengganu	245.87
Sar Fruits	Non RSPO Certified	Jalan Durian Mentangau 23000 Dungun Terengganu	840.91
Vibrant Reality	Non RSPO Certified	No. 437A, Tingkat Atas, Jalan Kamaruddin, Terengganu, 20400 Kuala Terengganu, Malaysia	657.69
Smallholders outgrower	Non RSPO Certified	Dungun, Kemaman , Kuala Terengganu terengganu	6,058.77
FGVPM Rantau Abang	Non RSPO Certified	Ladang Felda Rantau Abang Merchang Terengganu	19,512.12
TOTAL			55,501.82

**Source Production Data on October 2013 until September 2014*

1.7.4	Product categories	FFB, CPO, PK				
1.8	Estimate Tonnage of Certified Product					
1.8.1	Past Annual Claim Certified Product	Certificate Claim (tonnes/year)		Actual certified product (tonnes/year)		
	• FFB Production	-		-		
	• CPO Production	-		-		
	• Palm Kernel (PK) Production	-		-		
	<i>** Certificate Claim will be verified during the next assessment (first Surveillance)</i>					
1.8.2	Estimate Claim Certified of FFB					
	Name of Estates	Total Area (Ha)	Planted Area (Ha)		FFB (tonnes/year)	Yield (tonnes/ha/year)
			Mature	Immature		
	FGVP Semaring 01	1,241.92	257.43	723.62	901	3.5
	FAS Kerteh	110.56	110.56	-	2,764	25.0
	FELDA/FTP Kerteh 01 (287 settlers by FELDA/FTP)	1,508.55	1,349.95	-	28,349	21.0
	FELDA/FTP Kerteh 02 (295 settlers by FELDA/FTP)	2,020.11	1,065.25	-	29,294	27.5
	FELDA Kerteh 03 (249 settlers by FELDA/FTP)	1,747.85	1,125.95	-	11,822	10.5
	FELDA/FTP Kerteh 04 (302 settlers by FELDA/FTP)	1,642.72	1,529.67	-	7,648	5.0
	FELDA/FTP Kerteh 05 (313 settlers by FELDA/FTP)	1,505.96	1,316.39	-	16,060	12.2
	FELDA/FTP Kerteh 06 (396 settlers by FELDA/FTP)	1,651.07	1,545.56	-	27,820	18.0
	TOTAL	11,428.74	8,300.76	723.62	124,658	15.02
	<i>*Projected FFB production for 12 months of certificate (1 September 2015 to 31 August 2016)</i>					
	<i>*Projected FFB's consist of FELDA own estate and Smallholders manage by FELDA/FTP (not include own manage smallholders)</i>					

1.8.3	Estimate Claim Certified of Palm Product					
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel
				Out put (tonnes)	Extraction (%)	Out put (tonnes) Extraction (%)
	KERTEH	54	124,658	26,802	21.50	6,856 5.50
	<i>*Projected CSPO and CSPK production for 12 months of certificate (1 September 2015 to 31 August 2016)</i>					
1.9	Other Certifications					
	-					
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
No	Management Unit	Address		Hectarage (Ha) *	Time Bound Plan (Planned Audit Year)	Status (Actual/Target Certification 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 Penggeli 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	Audited 2014
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 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	Audited 2014
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	12,036.48	Q3, 2014	Certified: 2015

		Bandar Tun Razak, Pahang			
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	Audited 2014
50	Selendang	Kilang Sawit Selendang, Pejabat Pos Kuala Rompin, 26800 Rompin, Pahang	13,944.20	Q3, 2014	Audited 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: 2014
54	Jerangau Baru	Kilang Sawit Jerangau Baru, Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	10,805	Q4, 2014	Certified: 2014
55	Palong Timur	Kilang Sawit Palong Timur, Peti Surat 2, 73400 Gemas, Negeri Sembilan	26,331	2014/2015	Audited: 2015
56	Serting Hilir	Kilang Sawit Serting Hilir, 72120 Bandar Baru Serting, Negeri Sembilan	24,689	2014/2015	Audited: 2015
57	Maokil	Kilang Sawit Maokil, Jalan Kilang, Rancangan Felda Maokil, 85300 Labis, Johor	8,777	2014/2015	Audited: 2015
58	Tenggaroh	Kilang Sawit Tenggaroh, 86810 Jemalung, Johor	16,812	2014/2015	Audited: 2015
59	Tenggaroh Timur	Kilang Sawit Tenggaroh Timur, Karung Berkunci No. 534, 81907 Kota Tinggi, Johor	4,420	2014/2015	Audited: 2015
60	Keratong 09	Kilang Sawit Keratong 09, Peti Surat 32, 26900 Bandar Tun Razak, Pahang	7,810	2014/2015	Audited: 2015
61	Kechau A	Kilang Sawit Kechau A, Peti Surat 16, 27207 Kuala Lipis, Pahang	15,963	2014/2015	Audited: 2015
62	Kechau B	Kilang Sawit Kechau B, Peti Surat 57, 27200 Kuala Lipis, Pahang	8,712	2014/2015	Audited: 2015
63	Ciku	Kilang Sawit Ciku, Peti Surat 29, 18300 Gua Musang, Kelantan	10,796	2015/2016	Audited: 2015
64	Aring B	Kilang Sawit Aring B, Peti Surat 46, 18300 Gua Musang, Kelantan	6,920	2015/2016	Audited: 2015
65	Kemahang	Kilang Sawit Kemahang, Peti Surat 35, 17507 Tanah Merah, Kelantan	7,775	2015/2016	Certified: 2015
66	Tersang	Kilang Sawit Tersang, 27600 Raub, Pahang	10,044	2015/2016	Audited: 2015
67	Cini 2	Kilang Sawit Chini 2, 26690 Chini, Pahang	9,422	2015/2016	Audited: 2015
68	Cini 3	Kilang Sawit Chini 3, 26690 Chini, Pahang	7,730	2015/2016	Audited: 2015
69	Sampadi	Kilang Sawit Sampadi, Peti Surat 18, 94507 Lundu, Sarawak	7,680	2016/2017	Audited: 2015
70	Air Tawar	Kilang Sawit Air Tawar, 81900 Kota Tinggi, Johor		2016/2017	Audited: 2015
71	Pontian Plantation	Kilang Sawit Pontian Plantation, KM52 off Jalan Sandakan-Lahad Datu, PO Box 60525, 91114 Lahad Datu, Sabah	14,978	2016/2017	Audited: 2015

1.10.2

Progress of Associated Smallholders and Outgrowers for Certifiable Standard

All the outgrowers which supplies to Kerteh palm oil 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
2.1.1	Lead Assessor and Assessment Team
ST-2	<ol style="list-style-type: none"> Mohan Thavarajah (Lead Auditor). Mr. Mohan Thavarajah is an IRCA Lead Auditor and Lead Tutor for ISO 9001 as well as other integrated management systems (ISO 14001 and OHSAS 18001). He holds a Masters in Management of Technology from University of Technology Malaysia (UTM) and a Bachelor of Engineering from National University of Singapore (NUS). He has more than 25 years of experience in engineering, managerial, consultancy, training, and auditing in the industrial sector in Singapore, Malaysia, and Indonesia, Thailand, Cambodia and other regional countries. Has successfully assisted corporations to establish, implement and maintain (Occupational Health Safety) OHSAS 18001 Management System, Environmental Management System (ISO14001), ISO22000 / HACCP Food Safety Management Systems and Quality Management System (ISO9001) by providing auditing, consultancy and training in the relevant areas for various manufacturing, engineering, plantation, service and government sectors. Currently he is the Intertek Regional Certification Manager. He was a CB Team member in the stakeholder consultation and development of the RSPO Cambodian Local Indicators. He was part of the RSPO Assessment team which audited several RSPO certified Plantation Management Units since 2011. In this audit, he assigned to verify of legal aspect, supply chain, quality management system and good in local language. Mohd Hairimi Mohd Ali (Auditor). Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honours (Geography). Registered as assistant consultant on Social Impact Assessment with DOE Malaysia AC 1105, and certified on CESSWI 3756 (Certified Erosion Sediment and Storm Water Inspector). He was involved for past 5 years in environment auditing and in Social and Environmental Impact Assessment Report (EIA and SIA). In this audit, he assigned to verify of social aspect, worker welfare and labour issue. Mohd Nizam Bin Abu Bakar (Auditor). Graduated from University Malaya with a Bachelor of Sciences with Honours (Ecology). Registered as a DOE environmental auditor EA 0012 and EIA consultant AC 0808. He had a 7 years experience on plantations as assistant manager at Asiatic Development Berhad. He had 21 years experience on auditing works on ISO 14000 Advanced EMS Auditing, Identifying Environmental Aspects & Impacts by Sirim Training Services S/B, Environmental Assessment & Management (Aberdeen, Scotland), Project Management Training Course & Train The Trainer Course (MIM). In this assessment he assessed on Environment Aspect, safety and health, good in local language. Dinesh Nadarajah (Auditor). is the 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 900 training programmes for a diverse range of clients throughout South East Asia. In the assessment he is assessing for Quality Management System, Environment Management System, safety and health, Conservation and fluent in local languages
Additional Audit	<ol style="list-style-type: none"> Taufik Margani (Lead Auditor). During the additional assessment he verified the reduction of scope of independent "Own manage" Smallholders. Verification of coverage area which will reduce and not include in the previous scope of assessment.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST-2	Number of auditor : 4 auditors Number of days for ST-2 at site : 4 days Number of working days for ST-2 at site : 16 Working days

Additional Audit	<p>Number of auditor : 1 auditors Number of days for Additional Audit at site : 1 days Number of working days for ST-2 at site : 1 Working days</p>
2.2.2	Detail process of assessment
ST-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Kerteh Mill - FELDA to the requirements of <i>Malaysia National Interpretation - RSPO MY-NIWG RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production (Including smallholder NI. Approved by the RSPO Executive Board November 2010. the baseline NI indicators and guidance are as in the approved NI dated 26 April 2008) and RSPO Supply Chain Certification Standard November 2011 for CPO Mill.</i></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ST-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ST-2).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ST-2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ST-2.</p> <p>The assessment program please find Appendix 2</p>
Additional Audit	<p>The assessment was carried out for reduction of certification scope from previous initial assessment and to exclude the independent smallholders "Owm Manage Smallholders" which also in the same estate with the smallholders manage by FELDA or FTP (Felda Techno Plant).</p> <p>The auditor conducts the reduction of scope through desk review, due to on the initial assessment all smallholders already include in the scope. Observation is mainly to verified number of smallhodlers, hectarage.</p>
2.2.3	Locations of Assessment
ST-2	<p>Number of units in this certification activity is eight estates, which supply the raw material (FFB) to one palm oil mill. In conducting the assessment, the team of auditors used the 0.8√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 sampling locations are one palm oil mill (Kerteh POM) and three estates (FGVP Semaring 01 estate, FAS Kerteh estate and FELDA Kerteh 03.estate).</p> <ol style="list-style-type: none"> 1. Harvesting Activities. Interview with harvester for gathering information related to best practices implementation, PPE providing, welfare aspect, complaint mechanism, contract agreement of migrant workers, etc. 2. Spraying Activities. Interview with spraying operators for gathering information related to best practices spraying, PPE providing, welfare aspect, complaint mechanism, contract agreement of migrant workers, training of pesticide application, medical check-up, etc. 3. Manuring Activities or Fertilizer Application. Rock Phosphate application. Interview with spraying operators for gathering information related to best practices spraying, PPE providing, welfare aspect, complaint mechanism, contract agreement of migrant workers, training of pesticide application, medical check-up, etc. 4. Stakeholder consultation at Meeting Hall "Balai Raya". Gathering information from relevant stakeholders, such as settlers "peneroka/wati", Teacher, Land Agency Officer. 5. Riparian Area neat the river. To ensure of riparian zone management according to conservation management plan. 6. Field visit at settler/smallholder area. Gathering information related to FELDA influence against community. 7. Safety. Interview with upkeep contractor and with migrant workers regarding the use of PPE, work skill and training, complaint mechanism, payments, facilities given by the company, labour permit facilities given by contractor, work agreement, social and health insurance. 8. Supply chain verification. Observation and interview with the operators regarding their job descriptions and

	<p>responsibilities. Ensuring the operators' awareness on the Supply Chain System applied in the work.</p> <p>9. Processing Stage (from Loading Ramp to Dispatch): observation on the processing steps of the FFB to become Crude Palm Oil (CPO), the implementation of OHS, the mill's emergency response facility, and First Aid facility.</p> <p>10. Hazardous Waste Temporary Warehouse. Observation on the hazardous waste management that shall comply with the applicable regulations and interviews with the warehouse staff regarding the procedure of hazardous waste management, and the availability of the facilities to handle contamination and exposure.</p> <p>11. Water Treatment Plan: observation on the pre-processed clean water supply.</p> <p>12. Waste Water Pond/ Disposal: observation on how to handle the mill's effluent and the WWTP's condition which is well-maintained without any leakage and runoff.</p> <p>13. Workshop. Observation on the safety signboard is available. The first aid box is available but the content of the first aid box is not complete.</p> <p>14. Chemical Store. Observation on the chemical storage and the way the kept all the chemicals. The ventilation and security is proper.</p> <p>15. Worker interviews. There some workers that the auditor interviewed and some of them are aware about OSH, sexual rights, and religious rights and racial. They are well aware on the pay and contract agreement between the employer and employee.</p>
2.3	Stakeholder Consultation and List of Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for <i>Kerteh Mill – Felda Global Ventures, FELDA</i> was held by:</p> <p>Public Notification 30 days before the initial assessment (25 September 2014) and uploaded on RSPO website (www.rspo.org), company and certification body websites</p> <p>Public consultation meeting with internal stakeholders by interviews and local stakeholders on 25 September 2014 smallholders on 28 October 2014 conducted by visits to villages and interviews with local peoples including the smallholders (Peneroka).</p> <p>Numbers of input from stakeholders were clarified by the management units.</p>
2.3.2	List of stakeholder contacted
	Please find appendix 1
2.4	Determining Next Visiting
	The next visit (Annual Surveillance Assessment-01) planned on period of June to August 2016.

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Kerteh Palm Oil Mill under FELDA operation that consisting of 1 (one) Palm Oil Mill: and supplied by 8 (eight) estates: FGVP Semaring 01, FAS Kerteh, FELDA / FTP Kerteh 01, FELDA / FTP Kerteh 02, FELDA Kerteh 03, FELDA / FTP Kerteh 04, FELDA / FTP Kerteh 05, FELDA / FTP Kerteh 06

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators; six (6) nonconformities were assigned against Minor Compliance Indicators; and eight (8) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (*document record/photographic/etc...*). Those corrective actions taken that consist of 2 (Two) Major non-conformities had been closed out. There are still 6 (six) Minor non-conformities opened and will be verified during next assessment.

MUTUAGUNG LESTARI found that Kerteh Palm Oil Mill - FELDA operation complied with the requirements of *Malaysia National Interpretation - RSPO MY-NIWG RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production (Including smallholder NI. Approved by the RSPO Executive Board November 2010. The baseline NI indicators and guidance are as in the approved NI dated 26 April 2008) and RSPO Supply Chain Certification Standard November 2011 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	Plantation and Palm Oil Factory have to give adequate information for stakeholders in appropriate language and forms, to ensure the effective participation of stakeholders in decision-making.
	The audit findings show that all records of request information regarding the RSPO criteria to external stakeholder are in order and documented in (Buku Aduan and Buku Lawatan). A set of a stakeholder booklet are available for public to review. The available policy also displayed at the main board and easy to access by the public. The available policies are signed by Datuk Faizoull Ahmad and Mohammed Emir Mavani Abdullah (1/6/2014). There is evidence and records of stakeholder consultation, list of attendance, survey questionnaires at Kerteh POM, FGVP Semaring 01 Estate, FASSB Kerteh and FELDA Kerteh 03 Estate.
	Status: Full Compliance
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.
	The available document is Land Title/ Hak Mengusahakan Tanah, Health and Safety Plan, HCV Report, SOP for Complaint and Grievance (Prosedur Menangani Aduan dan Rungutan ML-1A/62-PR4), SOP for Mechanism of Negotiation (Prosedur Komunikasi dan Rundingan ML-1A/L2-PR 3 (0) and Buku Aduan dan Rungutan and Fail Lawatan Badan Berkanun. Buku Aduan and Buku Lawatan Jabatan Alam Sekitar at Kerteh POM, Buku Rekod Aduan at FGVP Semaring 01 Estate, Buku Aduan Penduduk at FASSB Kerteh and Buku Aduan Peneroka at Felda Kerteh 03 Estate. The document are in order and available for public or external stakeholder to reviewed.
	Status: Full Compliance

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

A legal register covering applicable local and international laws and regulations is found to be available at the Felda Kerteh mill and estates. The relevant legislations identified and listed were among others are regarding: Licensing / permits, safety & health and environmental management eg: MPOB license, Factories and Machinery Act 1967, Occupational Safety and Health Act 1994, Environmental Quality Act 1974, Fire Services Act 1988, Poisons Act 1952, Employee Social Security Act 1969 (SOCSO), Employees Provident Fund (EPF), Employment Act 1955 and Industrial Relations Act 1967.

Additionally , MPOB licenses sighted and verified are as follows :

License for MPOB was available dated 01/04/2014 validity until 31/03/2015 - POM Kertih.

License for MPOB was available dated 01/05/14 validity until 30/04/2015 – Semaring Estate.

License for MPOB was available dated 01/04/2014 validity until 31/03/2015 – FASSB Kerteh Estate.

License for MPOB was available dated 01/04/2014 validity until 31/03/2015 – Felda Kerteh 03 Estate.

Stakeholder interview with office staff, field workers, and scheme smallholders revealed that there were no cases of any legal or statutory non-compliances imposed by regulatory authorities. Statutory documentary submissions to government authorities were found to be in compliance. Based on the field and site observations, interviews and records checking at the Felda Kerteh mill and estates, there was evidence of compliance with the relevant laws, regulations, local and international laws at the Felda Kerteh POM and estates. Licenses and permits such as MPOB license, DOSH Certificates, DOE Permit, JPJ licenses , Business Premises License, Permit for Employment of Foreign Workers, Domestic and Consumer Permit for storing diesel etc were renewed and found to be valid.

The Felda Kerteh Grouping Mill and estates PMU has established and implemented a documented system for determining, reviewing and updating applicable legal requirements. It included the listing of laws and regulations that encompass safety, environment and labour legal requirements, among others. Stakeholder Interview with office staff, field workers of the Felda Kerteh POM and estates as well as scheme smallholders confirmed that Felda Kerteh POM and estates has established a register of relevant legal requirements which includes written information on safety, environment and labour legal requirements, among others. Based on field observations, interviews and review of records at the Felda Kerteh mill and estates, there was evidence of a documented system that has been appropriately disseminated to all staff, scheme smallholders and contractors. Field observations further verified that all activities were in compliance to the relevant laws, regulations, local and international laws.

A mechanism for ensuring that the relevant legal requirements are implemented has been established in the form of an Register of Legal requirements / Evaluation of Compliance Checklist. This checklist is utilized in all Kerteh POM and estates.

However non compliance (2.1.3) - At Kerteh 03 estate regarding the evaluation checklist was not updated by the estate PIC. NCR 2014.01 with minor nonconformance

Stakeholder Interview with office staff, field workers and scheme smallholders of the Felda Kerteh POM and estates confirmed that Felda Kerteh POM and estates has established and implemented a documented procedure which includes written information on and compliance with legal and statutory requirements. Based on the field observations, interviews and review of records at the Felda Kerteh mill and estates, there was evidence of a documented mechanism which is used for effective implementation of evaluation of compliance against the organisation's applicable legal and statutory requirements

Felda Kerteh PMU Grouping mill and estates have a system of tracking of changes in the relevant laws and statutory requirements that are communicated and received from Felda HQ based in Kuala Lumpur (KL). Monitoring of changes to the applicable laws and statutory requirements is carried out through periodical review in accordance with Felda's

documented requirements. Changes in laws are disseminated by the PSQM Department in KL HQ to all the various PMUs throughout East and West Malaysia.

Stakeholder interview with office staff, field workers and scheme smallholders of the Felda Kerteh POM and estates confirmed that Felda Kerteh Grouping mill and estates has implemented a procedure for tracking changes of the relevant laws and statutory requirements which was communicated and received from Felda HQ in Kuala Lumpur. Based on the field observations and review of records at the Felda Kerteh PMU mill and estates, there was evidence that the applicable laws and statutory requirements are effectively implemented.

Felda Kerteh POM Grouping mill and estates has a system of tracking of changes in the relevant laws and statutory requirements that are communicated and received from Felda HQ based in Kuala Lumpur (KL) . Monitoring of changes to the applicable laws and statutory requirements is carried out through periodical review in accordance with Felda's documented requirements. Changes in laws are disseminated by the PSQM Department in KL HQ to all the various PMUs throughout East and West Malaysia.

2.1.3	Status: Non Compliance 2014.1 with minor category	
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2.2 The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights

Felda Kerteh POM and estates was able to demonstrate ownership of land titles of mill and estates within the PMU Grouping. The lands were leased by FELDA from the Trengganu State Government .The original copies of land lease documents are maintained by the Felda Corporate Head office in Kuala Lumpur. The legal use of the land was confirmed to be for oil palm mill and oil palm cultivation use for estates. Based on the field observations and interviews at the Kerteh PMU Grouping mill and estates, there was evidence in the form of available records to show that the land lease complies with legal requirements and does not infringe on any legal rights that require free, prior and informed consent.

There were boundary stones / markers along the perimeter of Felda Kerteh POM , FGV Semaring 01, FAS Kerteh Estate and Felda Kerteh 03 Estate which were sampled in this initial audit. Locations of several boundary stones and/or pole markers were visited and verified to be within the boundary parameters of the estates.

However, Minor Noncompliance (2.2.3.1) - the boundary marker maintenance checklist was not updated by mill and estate PIC of FGVP Semaring and Felda Kerteh 03 estates. In addition, several boundary stones were lost and not yet replaced at mill and FGVP Semaring and Felda Kerteh 03 estates. NCR 2014.02

There is a documented Felda procedure ML-1A/L2-PR4 for handling and response to land disputes and customary rights as well as for calculation and distribution of compensation. However, there have been no land disputes to date in the Felda Kerteh PMU Grouping mill and estates. Stakeholder interviews and field observations at the Felda Kerteh PMU Grouping POM and estates revealed that there have been no land disputes in these areas.

2.2.3.1	Status: Non Compliance 2014.02 with minor category	
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2.3 Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.
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No cases of land claims or disputes in this Felda Kerteh POM and estates. As such this process is presently not applicable for this initial audit. Stakeholder interview and field observations at the Felda Kerteh POM and estates revealed that there have been no land disputes in the Felda Kerteh POM and estates.

Status: Full Compliance	
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PRINCIPLE #3 Commitment to long-term economic and financial viability
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3.1

There is an implemented management plan that aims to achieve long term economic and financial viability.

The management units of Felda Kerteh POM and sampled estates as below have established annual budgets in order to facilitate long term economic and financial viability.

The annual budget was projected as follows:
 POM – Budget projection from FY2014 until FY2018.
 Estate Kerteh 3 budget projection until 2016.
 Estate Semaring 01 budget projection from FY2014 until FY2016.
 Estate FAS Kerteh budget projection until 2016.

Annual replanting programme has been projected from FY2014 - FY2019 . No replanting activities are planned for this period for all of FGVPM Semaring , FASSB Kerteh and Felda Kerteh 03 estates. From interview with the relevant estate managers as indicated below , it was verified that there are no annual replanting activities planned for FY 2014- FY 2019. All fields have already been replanted and therefore no replanting activities are ongoing currently .

The last replanting schedule for sampled estates was as follows :
 FGV Semaring estate – 2011 to 2013.
 FASSB Kerteh Estate -2005-2007.
 Felda Kerteh 03 Estate – 2009-2011.

Status: Full Compliance

PRINCIPLE #4 Use of appropriate best practices by growers and millers

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

Generally Kerteh Palm Oil Mill has a complete set of Standard Operating Procedures (SOP) such as “ Manual Prosedur Kualiti, Keselamatan & Kesihatan Pekerjaan Dan Alam Sekitar (QOHSE), Manual Operasi Makmal, Manual Operasi Kilang while the estates are adopting Manual Ladang Sawit Lestari. Implementation on field was observed proper and in accordance to the manuals and procedures. Records of monitoring for Kerteh POM were documented in “borang semak keselamatan” for OSH matters and “kertas semak loji rawatan air” for water treatment plant. As for the three estates, routine plantation scopes of works were recorded in “Buku Rekod Kerja and Laporan Agronomi” which indirectly was the monitoring and action plan documents.

Through interview and document review in the estate the managers and field staff revealed that they were understand and conversant with the operations manual and there were shown the upkeep and harvesting records documentation of **Rekod Kerja Integrasi Sawit and Buku Rekod Kerja tahun 2014**. The mill also visited by group mill advisory every semester and all the records were well maintained.

In the mill the preventive maintenance under the maintenance division which supported by mechanical and electrician to ensure all the operation process capability is well and safe, all the inspections are conducted and recorded in *Buku Rekod Kerja Harian* on daily manner.

Status: Full Compliance

4.2

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

Fertilizer inputs were not applicable to the Mill practices but very critical in estate practices. Fertilizer input for estates were implemented through chemical fertilizer application(urea, phosphate and potash), organic fertilizer application through EFB mulching and burnt ash and natural fertilizer by legume cover crop planting which act as erosion protection as well as recycling the nutrient.

- (1) The estates have a periodic tissue and soil sampling conducted by FELDA Agronomy Research Centre. The related documents were Laporan Agronomi (ref:14/488/8-1-20) and Laporan Cerakin Tanah dan Daun (ref:14/488/3-1-20).
- (2) The Mill was actually sent their EFB and POME to the Estates for additional fertilizer application and related

<p>documents were: " Laporan Rumusan Penghantaran Tahun 2014,SLT406",updated until 27 October 2014. EFB : 6582.69 ton.POME : 479.33 ton.</p> <p>On the estates side as the user documents recorderd were as follows:</p> <ul style="list-style-type: none"> • Semaring 01: Akuan penghantaran Tandan Kosong: July 2013 • FAS: Rekod Kemajuan Baja Kompos dan Tandan Kosong for 2013& 2014. • Kerteh 3: Burnt Ash fertiliser application was implemented by settlers (ref: Bil(153)3211/2-5-1 dated 2/10/2014. 	
<p>Status: Full Compliance</p>	
<p>4.3 Practices minimize and control erosion and degradation of soils.</p>	
<p>As for the Mill there was nothing much related activity for erosion control. However, the estates are very vital in term of erosion control as well as top soil protection for soil fertility. Erosion control started during replanting activity where terracing, roadside drainage and cover planting were implemented. As the palm trees grow the routine maintenance were carried according to schedule. Currently the maintenance record was documented in Buku Kemajuan Kerja and Contract files.</p> <p>During the field observation team auditor have sighted there was no peat area in the estates.</p>	
<p>Status: Full Compliance</p>	
<p>4.4 Practices maintain the quality and availability of surface and ground water.</p>	
<p>Water quality was maintained by river reserve protection where there is a clear policy and manual for water quality management plan, however buffer zone for rivers in FGVPM Semaring 01 Estate was not adequately maintained e.g no signboard for prohibition of fertilizing and chemical spraying at Sg Semaring, Sg Lui and Sg. Chemerong. Major non compliance raised (NCR 2014.03)</p> <p>The mill was equipped with effluent treatment system and final discharge monitoring was conducted to ensure compliance. As for the estates, chemical and fertilizer application were control to prevent river water contamination. There is a clear manual for water quality improvement plan.</p> <p>SOP for Water Quality monitoring was available through "Prosedur Persampelan Air "Ref: ML_1A/L2-PR6 (0). However, water quality monitoring plan was not prepared and no physical sampling was carried out so far. Minor non compliance raised (NCR 2014.04)</p> <p>(1) Kerteh POM has a proper water usage record. Latest Document dated September 2014 (Borang 1,Kawalan Mutu)as for September 2014: 1.21m3/tFFB. As for the estates monthly water bill was the only record available.</p>	
4.4.1	Status: Non Compliance 2014.3 with Major category
4.4.7	Status: Non Compliance 2014.4 with Minor category
<p>4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</p>	
<p>IPM is relevant to estates practices where weeding and pest eradication were conducted on regular basis. Biological control of rat was implemented by introducing barn owl.</p> <p>recording areas where pesticides have been used have been well maintained:</p> <ol style="list-style-type: none"> (1) Semaring 01: Buku Rekod mencuci dan merumput (ref; PR11C,dated 5/11/14 (2) FAS : Rekod Kemajuan Aktiviti Ladang,latest record October 2014. (3) Kerteh 03: Rekod Merumput (ref: SPK:3100112345) (4) Semaring 01: recorded in borang keluaran racun. (5) FAS : recorded in buku rekod racun. (6) Kerteh 03: Laporan BIN Kad Bulanan, latest August and September 2014 	
<p>Status: Full Compliance</p>	
<p>4.6 Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where</p>	

agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.

All estates within FELDA were adopting a Manual named: Justifikasi Penggunaan Bahan Kimia. Settlers who manage their own plantation were also following FELDA manual and agronomy suggestion.

The chemical weeds control information such as dosage use, type of active ingredient use according to type of weeds contain in procedure of *Manual Lestari 1A* number ML-1A/L3-GP1 (0) about justification of chemical use. The units also have working instruction which guide the chemical mixing, quantity of chemical use and also the safe working practice. There is also shown the **Policy of Paraquat use** on 1 June 2014 by FELDA and FGV document no.97/143-H which informed the reducing and stopped the application based on consideration of: The *Paraquat* only uses for the young palm (0-3 year) and prohibited for the old palm, the alternative of the replacing the paraquat pesticides have to implement. All estates within FELDA including settlers own managed were using the same Manual referred as Justifikasi Penggunaan Bahan Kimia (ML-1A/L3-GP1(0),dated Mac 2012.

All estates within FELDA are adopting the same storage procedures and adhering to relevant regulations.

All the pesticides use by the estates has been registered in *Senarai Racun Berdaftar MPOA April 2007. Approved List of Pesticides Registered for Oil Palm (wef April 2007)* "this is to inform that the latest list of pesticides for use in oil plam (food act 1983) is enclosed herewith, Members are advised to use **ONLY** pesticides which are approved by the *Pesticedes Board as well as the Food Act*".

The letter from MPOA – Malaysian Palm Oil Board dated 30 October 2007 No.33/2007 regarding **Used HDPE Pesticides Containers Recycling Programme** related Pesticides containers which have been triple rinse are not categorized as Scheduled Waste and can be recycled.

The Guidelines:

- ❖ The National Recycling Program (Recycling of Used HDPE Pesticides Containers) is under the Department of Agriculture. MPOA is a member of the main committee
- ❖ Recycling activities are driven by state level sub committees which are chaired by the respective State Directors of Agriculture
- ❖ All pesticides containers are scheduled waste, however pesticides containers triple rinsed under this Recycling Program are exempted from scheduled waste classification and therefore could be recycled
- ❖ To be formally included in this Recycling Program, MPOA branches will have to invite the officers to attend their sub-committee meeting

Inspection to chemical storage audit team found all the chemicals were labeled in Bahasa Malaysia version and the Material Safety Data Sheet (MSDS) are stored in information board. During the assessment auditor interviewing the workers which use the pesticides and reveal all the workers have understand the usage and hazards of each chemical they are use

Semaring 01: CHRA report Prepared by Ihsan Sharif Resources,dated September 2014.While FAS and Kerteh 03 were using FAS manual. The medical testing are Genral Checkup, Blood Sampling and Urine Sampling, Spirometry (lung test) and the special recommendation made by the doctor according to the medical test.

Based on interview with the chemical sprayers and fertilizer workers known that all the workers have been annually following the medical check and surveillance and the result known by the workers and no complaints againt skin disorders or rashes, breathing difficulties or nail problems.

Based on document observation and field inspection there are only males workers employed as pesticides sprayers at estates, The management units have documentation (policy) to support the prohibition or restriction on pregnant and breast feeding workers for conducting the chemical works (spraying and manuring).

No females workers involved in pesticides and no letter were issued.

Chemical Hazards assessment was documented in Borang :4.7.1: Pengenalpastian Hazad, Penilaian Risiko dan Penentuan Kawalan. Effort by FELDA estates were observed in reducing paraquat usage by alternative chemical (Ally & Basta) or paraquat with lesser Active Ingredient – 13%.

Pesticides used was recorded in Rekod Kemajuan Aktiviti Ladang.
There is no evidence of aerial spraying carried out by the management unit.

Based on interview with the management representative, there is no buyer has yet requested CPO testing for chemical residues.

Records of chemical usage, spraying location, dates of application have been inform daily and well records and maintain by the management units.

Status: Full Compliance

4.7

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

The Mill was having a clear OSHA manual called Safe Work Procedures dated 2010. As for the estates, Polisi Keselamatan dan Kesihatan Pekerjaan was adopted. However, implementation was observed need further improvement in estates practices as there was not much high risk activity in estates.

HIRARC prepared by Safety committee consist of all station in mill operations. HIRARC criteria consist of activities, hazard identification, possibility, severity, risk level, mitigation measures and person in charge. OSH document control is maintained.

- (1) For Kerteh POM: Safe Work Procedure (Prosedur Kerja Selamat) ref: FPI=PK-001,dated 14/7/2010. Signed by: Mill Manager,Executive Zone, GM Corporate Services. Safety and Health Policy with revision(7) dated 2/8/2010 sign by CEO of FELDA Palm Industries Sdn Bhd Encik Ismail Hasan.
- (2) As for estates : Polisi Keselamatan Dan Kesihatan Pekerjaan dated 2/2/2010.
- (3) For Kerteh POM :Instruction Letter to register accident and sent to DOSH. Reference letter: (4) 4109/ZT/Keselamatan py.2 dated 4/1/2012 and reports by Borang JKPP06.
- (4) As for the estates : Semaring : Laporan Kemalangan (JKKP6). FAS:Laporan Kemalangan Bulanan (JKKAS) September 2014 and Kerteh 03 was recorded in Medical Leave.
- (5) For Kerteh POM: Reference: Arahan Pengurusan Bil.57 dated 19 January 2012, Pelan Takaful Keluarga Berkelompok. As for the estates: Skim Pampasan Pekerja (SPPA) under AXA Affin General Insurance.

Status: Full Compliance

4.8

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

Currently staff training was properly plan, implemented and documented. Workers and smallholders were carried out through daily on job practices. FELDA should extend the schedule training to workers and smallholders probably by internal FELDA staff.

Sighted a documented procedure on how the training process being managed. Sighted mill and estates training programme for year 2014. Annual training program for year 2014 seen included for staff, workers and contractors. Among the listed programs are awareness towards schedule waste management and chemical handling for workshop employees

Status: Full Compliance

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 Kerteh estates were established before 1987, i.e. prior to the Environmental Quality (Prescribed Premises) (Environmental Impact Assessment) Order 1987, and hence an EIA was not carried out and the EIA report was not available.

Kerteh POM is certified to ISO 14001: 2004 by SIRM QAS International Sdn Bhd and the certificate was valid until 16 February 2015. The mill has established and implemented a procedure for identifying and assessing environmental aspects and impacts (FPI/L2/QOSHE-1.0 Section 8.0) and the register of significant impacts viewed listed a total of 100

significant impacts (FPI/L2/QOSHE-1.8 Pindaan 0; dated 8/1/2014). The register was comprehensive, kept up-to-date and reflected current activities and processes at the mill.

Kerteh POM has established two Environmental Management Plans (EMP) for 2014, which were to reduce diesel usage to 1 l / MT FFB and to reduce BOD in the POME discharge to 50 mg/l. The EMPs were being implemented and monitored on a monthly basis. There was evidence of implementation, i.e. the WWTP was desludged in July to August 2014 to improve its performance.

At the estates, aspects identification and impact assessment was carried out using the FGV procedure (Form 5.1/5.6) and was documented in the specific report for each estate, i.e. *Laporan Aspek Impak Alam Sekitar Melalui Aktiviti Perladangan, Bahan Buangan dan Pencemaran*. The assessment was systematically carried out using defined criteria that included frequency, severity and the level of risk to determine the significance of potential impacts. The documented assessment was comprehensive and covered activities carried out at the estates including drainage works, road repairs, pesticide use, solid waste, used pesticide containers and impacts on flora and fauna. Documented action plans to control and/ or improve significant impacts sighted include:

- Management plan for minimizing impacts from waste that covered solid waste, by-products and pesticide containers
- Action plan or minimizing environment impacts and controlling pollution that covered significant impacts
- Recommendation for reducing impacts from non waste materials that addressed spillage of pesticides and diesel and vehicle emissions

The action plans for FGVP Semaring 01 Estate and FASSB Kerteh were sighted and implementation was verified on site.

Status: Full Compliance

5.2

The status of rare, threatened or endangered species and 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 their conservation taken into account in management plans and operations.

HCV habitat assessment for the Kerteh estates has been carried out by FGV Sustainability Department and the report was sighted, i.e. *Laporan Mengenalpasti HCV dan Pelan Pengurusan HCV dan Biodiversiti (8/10/2014)*. The assessment was conducted in accordance to the methodology of the *HCVF Toolkit for Malaysia* which included a stakeholder consultation with the Department of Wildlife and National Parks (DWNP) Terengganu and the Department of Forestry Terengganu. There were no HCV identified within the Felda Kerteh POM and estates but conservation areas were identified in all the estates except the mill and FASSB Kerteh. The conservation areas identified consisted of river riparian buffer zones, e.g. Sg. Cemerung, Sg Lui, Sg Semaring and Sg Rasau and buffer zones along the boundaries abutting gazetted Forest Reserves (FR), like the Paka FR and the Cemerung FR.

Specific 'HVC management plans' were developed for each estate, however they have yet to be effectively implemented as evidenced by the following non compliances:

- Conservation maps were not sighted
- Conservation buffer zones along Sg Lui, Sg. Cemerung, Sg Semaring, Sg Rasau, Paka FR and Cemerung FR did not have signage
- Awareness briefings on conservation requirements have not been conducted for workers and/ or settlers
- There was planting of oil palm trees outside the FEDLA boundary within the Paka FR adjacent to the Block 3 and Block 4 boundary of FELDA Kerteh 03 Estate. According to the estate manager, the trees were planted by settlers in an area that burnt and was bare at the fringe of the forest reserve.

Based on explanation above there were Major non compliances raised. 2014.05

Hunting was reportedly not prevalent within the estates. However there was no objective evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities sighted (**CAR**). There was no signage prohibiting hunting observed within the estate along boundaries that fringe conservation areas along Sg Lui, Sg. Cemerung, Sg. Semaring or Sg. Rasau or the buffer zones along the boundaries with Paka FR and Cemerung FR.

Based on the explanation there is minor non compliances raised. 2014.06

Opportunities for improvement of the HCV Assessment report and HCV Management plans include:

- HCV assessments have yet to be attempted in HCV habitats and protected areas surrounding landholdings.
- The wildlife inventory was not conducted jointly with DWNP as recommended by the DWNP and a very low number of species were recorded, e.g. for FGVPM Semaring 01 Estate, only 6 species were listed and for FELDA Kerteh 03 only 5 species were listed.
- The HCV management plan did not include the contact numbers of the local DWNP office which facilitates reporting. **(OFI)**.

The HCV Assessment report for FGVPM Semaring 01 Estate did not indicate that elephant intrusions and crop damage had occurred in the past during replanting activities, i.e. last occurrence recorded in 2012. Although the estate management had adopted good practices to address the human – elephant conflict like installing approximately 24 km of electrified fencing, recording intrusions in the log book, reporting intrusions to DWNP and driving the elephant herd away using smoke and torch lights, the specific measures to address the Human - Elephant conflict which would be applicable to all estates fringing forested areas were not documented in the HCV Management Plan **(OFI)**.

5.2.2	Status: Non Compliance 2014.5 with major category;
5.2.3	Status: Non Compliance 2014.6 with minor category
	Status: 2 OFI

5.3

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

Kerteh POM has a documented manual for operation of the mill (*Manual Operasi EMS Revision: 11; Date: 5/7/11*) which contained 56 documented procedures covering operations that can generate waste or cause environmental impacts including the WWTP, boiler, fuel forwarding, chemical management, waste management and emergency response. The estates as well as the 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. fronds, EFB and chipped trunks). The 3R plans for the mill, FGVPM Semaring 01 Estate, FASSB Kerteh and FELDA Kerteh 03 Estate were sighted. Kerteh POM and estates have implemented procedures and plans to manage waste and pollutants as follows:

Scheduled waste

Kerteh POM has identified scheduled wastes generated and it was documented in the inventory of the Department of Environment (DOE) e-Consignment Note system. Scheduled wastes identified were:

- SW 304 Hydraulic oil
- SW 305 Used oil
- SW 102 Used batteries
- SW 410 Contaminated containers

The scheduled wastes were being collected and stored in a dedicated scheduled waste store at the mill. The quantity of used oil (SW 305) at the store tallied with the quantity recorded in the inventory, i.e. 0.320 MT. Scheduled waste was being collected by a contractor licensed by DOE (ALIVIRGO Sdn. Bhd.) and the e-Consignment Note was verified being used for last shipment of waste that was disposal on 10/7/14.

Domestic waste

Domestic waste from the mill and estates were being collected by Lembaga Kemajuan Terengganu Tengah (Ketengah), a state government agency, and disposed at the Durian Emas landfill located outside the estates, except for waste at FASSB Kerteh which was disposed at a landfill within the estate. The landfill at FASSB Kerteh Block B was visited and found to be well managed.

Empty containers

There was a documented procedure to carry out triple rinsing of used containers that was in compliance to the FOA and DOE requirements, i.e. *Manual Kesihatan dan Keselamatan dan Alam Sekitar Seksyen 22 – Kitar Semula Bekas*

Kosong Racun Perosak (Isu 1). Empty containers were managed as follows:

- FGVP Semaring 01: Empty pesticide containers were kept in a store that was sheltered from rain and kept locked. Containers were rinsed and reused within the estate for mixing pesticides
- Kerteh POM & FELDA Kerteh 03: Containers were collected back by suppliers
- FASSB Kerteh: Containers were collected and transported to *Felda Pusat Perkhidmatan Pertanian Tun Razak (PPRT)*.

Clinical Waste

Personnel at Kerteh POM and estates went to external clinics, i.e. Klinik Desa that were operated by the Ministry of Health, Malaysia and hence, clinical waste was not generated.

However lapses in waste management recorded include (CAR):

- At the mill
 - ❖ The schedule waste store was not effectively sheltered from rain, there was a drain that ran through the store bund and the oil trap sump outside the store was of insufficient capacity and exposed to rain.
 - ❖ Empty chemical containers (SW102) were stored on site for more than 6 months.
 - ❖ Some waste generated were not listed in the 3R waste action plan, i.e. boiler ash, used tyres, dry sludge from the WWTP and empty chemical containers
- At FASSB Kerteh Empty pesticide containers stored were not sheltered from rain.

Minor non compliance was raised (2014.07)

Boiler Emissions

There were three (3) boilers at Kerteh POM (i.e. 20, 30 & 40 MT/hr steam) that used palm press fibre (PPF) and shell (2:1 ratio) as fuel. The fuel was being fed into the boilers using an automated feeder system and smoke was being monitored using a Continuous Emission Monitoring System (CEMS) which was linked directly to the Department of Environment (DOE). The CEMS was functioning and the opacity was below 40% when viewed. The CEMS opacity results were also viewed (date up to 26/7/14).

Incinerator

There were four (4) incinerators for EFB at the mill to produce bunch ash and Written Approval from DOE was sighted [DOE Ref: AS(B)T:31/152/000/005 Jld 9(44)]. The EFB were fed into the incinerators on a rotational basis using a conveyor system and the bunch ash was being bagged and sold. Records sighted indicated 453.25 MT generated from January to September 2014 was sold to Abi Setia Enterprise.

POME

The WWTP was desludged from Jun – August 2014 and the Written Permission from DOE for desludging the the WWTP was sighted [DOE Ref: AS(B)T:31/152/000/005 Jld 17(11)]. The POME discharge monitoring results for October 2014 was 96 mg/l which complied with the discharge limit of 100 mg/l stipulated in the DOE licence sighted [DOE Ref: No 00403 dated 24 June 2014]. The analysis was carried out by an accredited laboratory (Felda Palm Industries Sdn. Bhd. Makmal Analisa Bukti Goh; SAMM No 247) and the report was signed by a registered chemist.

There was documented evidence that monitoring of diesel use was being carried out as follows:

- POM Kerteh: Monitoring records of diesel usage per tonne of CPO was available from January 2013 to September 2014 and the trend was being reviewed monthly.
- FGVP Semaring 01 Estate had records of diesel fuel used on a monthly basis but data on diesel used per ton of CPO was not sighted. This was, however, due to the fact that the entire estate was had been newly replanted phase with there was no production of FFB since 2013. Key personnel was aware the requirement.
- FASSB Kerteh: Baseline monitoring data of diesel per tonne FFB was available from November 2013 to September 2014.

Crop residues/ biomass

Crop residues/ biomass was being recycled as follows:

- PPF and kernel shell were being used to fire the boilers at the mill.
- EFB was being applied as mulch around newly planted palms and in the inter-rows of matured fields. EFB was also

being incinerated at the mill incinerators to produce bunch ash.

- Palm fronds from harvesting and pruning activities were being stacked in the inter rows in the estates.
- During replanting activities, felled oil palm trees were chipped and mulched in the fields.
- Dried POME sludge from the WWTP was being used for planting at the estate nursery

However there was some by-products and biomass were observed disposed at the ash disposal area (OFI)

5.3.2	Status: Non Compliance 2014.07 with minor category Status: 1 Opportunity For Improvement
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5.4
Efficiency of energy use and use of renewable energy is maximized.

The boilers at the mill were firing PPF and shells (ration 2:1) and there was an automated conveyor fuel feeding system for the boilers. The mill had records of PPF and kernel shells used as fuel for the boilers and data for renewable energy per ton of CPO was sighted.

There was documented evidence that diesel used was being monitored as follows:

- Kerteh POM: Monitoring records of diesel/ MT CPO was available from January 2013 to September 2014 and the trend was being reviewed monthly.
- FASSB Kerteh: Baseline monitoring data of diesel/ MT CPO was available from November 2013 to September 2014 and the charts were sighted.
- FGVPM Semaring 01 Estate had records of diesel fuel used on a monthly basis but data on diesel used per ton of CPO was not sighted. This was, however, due to the fact that the entire estate was had been newly replanted phase with there was no production of FFB since 2013. Key personnel was aware the requirement.

	Status: Full Compliance
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5.5
Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.

Kerteh POM and estates have established documented policies prohibiting open burning that were available at the mill and estates, e.g.:

- *FGV Polisi Larangan Pembakaran Terbuka*; dated 1/6/2014 and authorized by the President & CEO of FGV
- *Felda Polisi Larangan Pembakaran Terbuka*; dated 1/6/2014 and authorized by the Pengarah Besar Felda

There was no evidence of open burning of biomass at the estates managed by FGV, Felda Plantations or Felda settlers. Although there were no active replanting activities, a documented plan to chip and stack felled trunks in the estates during replanting was sighted at FGVPM Semaring 01 Estate and records of felling and chipping palm oil trees was sighted at FELDA Kerteh 03 Estate.

There was also no evidence of open burning of waste sighted at the workers quarters, solid waste landfill, ash disposal area, chemical stores or workshops throughout the audit which confirmed that the policies were being effectively implemented. A notice prohibiting burning was posted at the solid waste disposal site at FASSB Kerteh. Sites inspected included:

- Kerteh POM: mill area, boiler ash disposal area, WWTP, workshop and scheduled waste store
- FGVPM Semaring 01 Estate: PR12D Blocks 1, 15 & 16 and PR11C Block 3, workers quarters and pesticide store
- FASSB Kerteh: Estate Block B, workers quarters and solid waste disposal area
- FELDA Kerteh 03 Estate: Sg. Batu and Sg. Rasau riparian areas

	Status: Full Compliance
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5.6
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

The environmental aspects identification and impact assessment procedure being implemented at the mill included documenting action plans to mitigate significant impacts. The Kerteh POM has established and implemented a documented EMP (2014) to reduce BOD of the POME final discharge to 50 mg/l and diesel usage to 1l/ MT FFB and the EMPs were being monitored monthly, reviewed and revised annually using the ISO 14001 EMS framework.

Emissions to air and water complied with DOE standards as follows:

- POME discharge monitoring results reported for October 2014 was 96 mg/l
- The CEMS recoding for opacity was below 40% when viewed. The CEMS opacity monitoring results were also viewed (date up to 26/7/14).

The Kerteh estates, i.e. FGVP Semaring 01 Estate, FASSB Kerteh & FELDA Kerteh 03, have established specific plans to mitigate polluting activities which were documented in *Laporan Aspek Impak Alam Sekitar Melalui Aktiviti Perladangan, Bahan Buangan dan Pencemaran*. The plans sighted include:

- Management plan for minimizing impacts from waste that covered solid waste, by-products and pesticide containers
- Action plan or minimizing environment impacts and controlling pollution that covered identified significant impacts
- Recommendation for reducing impacts from non waste materials that addressed spillage of pesticides and diesel and vehicle emissions
- Action plan to reduce environmental impacts using 3R (Reduce, Reuse or Recycle).

As implementation of the action and/ or management plans were viewed at FGVP Semaring 01 Estate and FASSB Kerteh. As the estates had just implemented the plans to mitigate polluting activities, the annual review was yet to be carried out.

- The EMP at the mill were being monitored monthly and was reviewed annually. The EMP 2013 for reducing the BOD in POME discharge to achieve 50 mg/l that was reviewed and the revised EMP 2014 was sighted.
- The action and/ or management plans to reduce pollution and emissions at the estates were newly established in 2014 and thus, evidence of annual reviews were not yet available. Action &/ management plans for FGVP Semaring 01 Estate and FASSB Kerteh were viewed.

Noise PPE signage was displayed at the Kerteh POM sterilizer area.



Plate 1: Hazard and PPE signage at the Kerteh POM sterilizer area that included PPE for noise.

There was no peat soil within Kerteh POM and estates.

Status: Full Compliance

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.

The latest SIA assessment has been done through questionnaire 23/9/2014 for internal and external stakeholder for duration for 2014 and 2015. The summary of positive and negative impact and action plan for SIA are documented and been monitored. There is an evidence of records for the stakeholder meeting for Kerteh Complex covering FGVP Semaring 01 Estate, FASSB Kerteh and FELDA Kerteh 03 Estate the stakeholder consultation had been made on 14/09/2014.

Status: Full Compliance

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 procedure for communication and consultation been established in Manual Lestari 1 A, 3.4 (Prosedur Komunikasi Penglibatan dan Rundingan) and the record for external stakeholder meeting held at Kerteh POM, FGVP Semaring 01, FASSB Kerteh and FELDA Kerteh 03 Estate. Based on the observation there is transparent method for communication and consultation shows in the document.

However at the Felda Kerteh 03 Estate the list of stakeholder was not adequately maintained. In addition record of action and meeting were not properly file. (Minor NCR 6.2.3)

6.2.3 Status: Non Compliance 2014.8 with minor category

6.3

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

There are valuable documents for Complaints and Grievances SOP (ML-1A/L2-PR3 (0)) and (ML-1A/L2-FR 4(0)) process. There is a mechanism and been documented for dealing with complaints and grievances. There is a complaint been made at Kerteh POM latest on 15/10/2014 and the action had been taken on 16/10/2014. At FGVP Semaring 01 Estate, latest complaint on 1/10/2014 been made by Mohd Anuar. No complaint had been made at FASSB Kerteh and Felda Kerteh 03 Estate.

Status: Full 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.

There is a procedure (Prosedur Mengenai palsti 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 (ML- 1A/L2- PR 12 (0)) at Kerteh POM, FGVP Semaring 01 Estate, FASSB Kerteh and Felda Kerteh 03 Estate. Based on the audit, there was no record on issues.

Status: Full Compliance

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.

Based on the audit, all workers have an agreement with management and been signed by the workers regarding the labour laws, union agreements including (working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal. All workers are given the pay slips and the minimum basics salary is RM 900.00 Seksyen 4 (2) Akta 732 Perenggan 6 Perintah Gaji Minimum 2012, at Kerteh POM, FGVP Semaring 01 Estate, FASSB Kerteh and Felda Kerteh 03 estate.

Based on interview with the company management Uzair Matamin (Asst Manager)

Workers quarters are equipped with clean water and 24 hours electricity. Disposal of domestic solid waste are carried out at FGVP Semaring 01 Estate.

Workers quarters equipped with clean water and 24 hours electricity. Domestic solid waste is carried by FASSB Kerteh.

Workers quarters are equipped with clean water and 24 hours electricity. Disposal of domestic solid waste are carried out by KETENGAH

Status: Full Compliance	
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 is a policy for freedom for joining the union (Polisi Hak Kebebasan Bersuara & Menganggotai Kesatuan 01/06/2014). Kerteh POM is conducting union meeting twice a year latest (02/05/2014). The minutes of meeting is attached in the file and issues discussed such as: bonus for workers, budget for family day and workers insurances. At FGVPM Semaring 01 Estate the latest of minutes of meeting on 24/09/2014 bil 03/2014 also attached in the file and the issues discussed such as: health and safety for workers and recreational.	
Status: Full Compliance	
6.7	Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education program. Children are not exposed to hazardous working conditions.
There is a clear policy that prohibited under aged workers (below 18 years) Polisi Pekerja Kanak-Kanak Felda signed by Datuk Faizoull bin Ahmad and Mohamed Emir Mavani Abdullah 01/06/2014. An evidence attach in list of staff of Kerteh POM, FGVPM Semaring 01 Estate, FASSB Kerteh, and FELDA Kerteh 03 Estate providing name, designation, IC number, and date of birth, form the list clearly stated that all of the list is fulfill the minimum requirement age.	
Status: Full Compliance	
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.
Based on the field observation the results shows that Copies of contracts of employment detailing payments and conditions of employment were clearly understood by the foreign workers at Kerteh POM, FGVPM Semaring 01 Estate, FASSB Kerteh, and FELDA Kerteh 03 Estate. There is a policy regarding the equal opportunity (Polisi Kesetaraan Peluang) (1/6/2014) and Polisi Pengambilan Pekerja Asing signed by Mohamed Emir Mavani Abdullah 01/06/2014. Foreign workers are given the minimum salary based on minimum salary order by Malaysian Government; there is no discrimination and no replacement contract. During the interview there is no issues regarding the discrimination issues	
Status: Full Compliance	
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.
There is an available policy related to sexual harassment (Polisi Gangguan Seksual dan Keganasan serta Hak Kebebasan Reproduksi 01/06/2014) signed by Datuk Faizoull Ahmad and Mohamed Emir Mavani Abdullah 1/6/2014. There is no issues raised related sexual harassment and all other forms of violence against women during the stakeholder consultation and this audit. At Kerteh POM, FGVPM Semaring 01 Estate, FASSB Kerteh, and FELDA Kerteh 03 Estate, there were gender committee was established. During the assessment the auditor team interviewed there is a gender committee meeting (15 Sept 2014), at Kerteh POM, a meeting to appoint the gender committee (Mesyuarat Perlantikan Jawatankuasa Gender Committee Kerteh Complex). Information bythe Chairman of Gender Committee, stated that all of the women in Kerteh POM understand the procedure to launch a complaint when sexual harassment or other compliant to the Felda. <ul style="list-style-type: none"> - Meeting for women activities (GPW) Felda Kerteh 03 (17/09/2014) - There is a specific procedure to handle sexual harassment and violence (Prosedur menangani aduan oleh gender committee) ML – 1A/L2 – PR 10 (0). During the field observation There is a specific mechanism is established with the procedure and process flow to channel the complaint, but there is no complaint are been made.	
Status: Full Compliance	
6.10	

Growers and mills deal fairly and transparently with smallholders and other local businesses.	
<p>There is a transparent method for pricing information in report for (Laporan Penerimaan BTS Bulanan, Laporan Ringkasan Penerimaan BTS and Sesi Penerangan Penetapan Harga BTS. Besides that smallholders and other local business supplier can telephone the mill regarding the current price and also can compared the price at the MPOB online website.</p> <p>During field visit to the mill in the weigh bridge auditor sighted display board at mill to the supplier (Nota Hantaran BTB). Besides the documented and displayed at the board, supplier can telephone the mill regarding the current price and also can compare the price at the MPOB online website.</p>	
	Status: Full Compliance
6.11	
Growers and millers contribute to local sustainable development wherever appropriate.	
<p>There is a contribution has been made to the selected parties such as school and another NGO according to the requested letter to the management. A contribution has been made to Sekolah Kebangsaan Felda Kerteh 1, by providing the transportation to the students on 15 April 2014 and donations for school activities PIBG Sek Men Keb Rasau Kerteh B5 on 11/02/2014 (RM 1000.00) and PIBG Sek Keb Ketengah Jaya 2 on 14/09/2014 (RM 200.00). FGVP Semaring 01 Estate – Sponsorship for Sek. Keb. Jongok Batu, Dungun, Terengganu 15/10/2014 (Sumbangan bagi lawatan murid prasekolah RM 300.00), and Felda Kerteh 03 Estate – sponsorship for Sek Keb Felda Seri Rasau 27/08/2014 (Dana Kecemerlangan Pendidikan Felda 2014 RM 300.00)</p>	
	Status: Full Compliance
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.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity during the audit.	
	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.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity during the audit.	
	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.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity during the audit.	
	Status: Not Applicable
7.4	
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity during the audit.	
	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.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity	

during the audit.	
	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.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity during the audit.	
	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.	
Regarding statement area and field visit revealed that there are no new plantings. There are only replanting activity during the audit.	
	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.	
NIZAM	
Chemical Hazards assessment was documented in Borang: 4.7.1: Pengenalpastian Hazad, Penilaian Risiko dan Penentuan Kawalan. Effort to reduce paraquat usage was observed in spraying worked where alternative chemicals were used such as Ally and Basta.	
Kerteh POM and estates have established documented pollution prevention plans as well as plans to reduce, reuse and recycle (3R) waste materials that covered domestic waste, by-products and empty containers that were being implemented. Plans being implemented include:	
<ul style="list-style-type: none"> • Kerteh POM has implemented a programme to reduce diesel usage to 1 l/MT FFB and the data which covered total diesel consumption for generators, prime movers and tractors and was being monitored monthly. The mill was in the midst of installing a power supply connection to the TNB national grid to enable electricity to be used instead of having to rely on using the diesel back-up generator set when the mill was not running increased fossil fuel consumption and emissions to air. • Kerteh POM was implementing an EMP to reduce the BOD of POME to 50 mg/l. The WWTP had been desludged from July to August 2014 to improve its performance and POME was being monitored monthly. The conservative target for BOD of 50mg/l was set based on effluent discharge quality achieved in the past. • There were documented plans to prevent pollution from used pesticide containers that were being implemented at FGVPM Semaring 01 Estate and FASSB Kerteh. 	
Kerteh POM incinerates EFB to produce bunch ash which is sold. The records of bunch ash produced and scrap metal collected for sale from January 2014 to September 2014 was 453.25 MT and 112.47 MT respectively.	
Kerteh POM and estates have used existing mechanisms to capture expenditure on environmental aspects as follows:	
<ul style="list-style-type: none"> • Kerteh POM The 2014 budget for implementing RSPO was allocated under the ISO budget and area cleaning budget, which was used for desludging the WWTP. There was a plan to install a new 1.8 MW steam turbine in 2015 and a new 45 MT boiler in 2016 and budget was sighted, i.e. <i>Taklimat Budget 2015</i>. The new boiler and turbine will replace the existing old boiler and turbine and is designed to achieve 20% opacity of smoke emissions measured by CEMS transmissometer, i.e. have lower emissions of total suspended particulates, and have better energy efficiency. • FGVPM Semaring Estate 01: The pesticide store had been recently upgraded to meet ISCC requirements. 	
	Status: Full Compliance.

3.2. Summary of Assessment Report of Supply Chain

Clause	(Module E) CPO Mills - Mass Balance Requirements
1	Documented Procedures
	<p>1.1 The facility 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> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements.</p> <p>b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard.</p>
	<p>There was SOP for Mill RSPO Supply Chain Certification System (FGVPM-RSPO SCCS (issued 1 Dec 2012). This SOP valid for CPO Mill for compliance to RSPO SCCS requirement. The company has reference of RSPO SCCS requirements and the RSPO SCCS Standard Nov 2011 that accompanied with documented procedures.</p> <p>Pengurus Kilang (or the Mill Manager) the person who having responsible and authority over implementing and compliance of SCCS requirements (SOP page 3 of 10). In the SOP mentioned also the person who has responsible related to implement the SCCS namely Mill assistant manager, weighbridge clerk, operations supervisor, and all persons related to this SCCS requirements.</p>
	Status: Full Compliance
	<p>1.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>
	<p>Part of weighbridge clerk (page 4 of 10 of SCCS Procedure) mentioned that the all of FFB received in the truck came from certified estates (RSPO) had stated the certified estates in the FFB delivery document (Nota Hantaran) and all these document will be put into Felda computer system (Mill Performance Report) which indicated the certified and non-certified FFB had been processed become certified with the mass balance status.</p> <p>Part of Supply Chain Verification –the FFB delivery to Mill (Page 8 of 10), mentioned that the certified and non-certified FFB will be distinguished between certified estates and non-certified RSPO in the documentation of FFB that entry to mill. This condition was indicated to the delivery document (Nota Hantaran) which has information of the FFB address name and CPO Mill name, Contract No of estates/Mill, Product Type, Date of Delivery, FFB Quantity Persons Name who Delivery.</p>
	Status: Full Compliance
2	Purchasing and goods in
	<p>2.1 The facility shall verify and document the volumes of certified and non-certified FFBs received.</p>
	<p>Part of weighbridge clerk (page 4 of 10 of SCCS Procedure) mentioned that the all of FFB received in the truck came from certified estates (RSPO) had stated the certified estates in the FFB delivery document (Nota Hantaran) and all these document will be put into Felda computer system (Mill Performance Report) which indicated the certified and non-certified FFB had been processed become certified with the mass balance status</p> <p>The delivery document (or Nota Hantaran) will be checked or verified that certified estates (RSPO) which supplied the FFB had been indicated in the forms. All of this document will be input to the Felda computer system that link to all of process of FFB become the certified CPO with the mass balance status.</p> <p>During observation in the weighbridge, the company showed and explained the verification of volume of certified FFB and non-certified FFB through the delivery document (Nota Hantaran) dated August 12, 2014 and indicated the FFB came from Kerteh-1, vehicle No. WQP 4762, No Block: 10; and the print out from weighbridge that informed the net weight of FFB 3.60</p>

MT.	
	Status: Full compliance
2.2	
The facility shall inform the CB immediately if there is a projected overproduction.	
Stated in the SCCS SOP that the Palm Oil Mill will inform to certification body (CB) immediately where the certified CPO is over production from the budget (Page 8 of 10).	
	Status: Full Compliance
3	Record keeping
3.1	
The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.	
Part of Record Keeping (page 9 of 10) of SCCS Procedure mentioned that the Palm Oil Mill will file and keep the related SCCS documents for 10 years after the company obtained RSPO certification. The document that the company keep the files at least the record of record form of FFB to the CPO and Palm Kernel, the list of certified estates with the name of location and address, the FFB delivery notes, inventory and report of FFB until the delivered CPO/PK, customer contract, the document of mass balance starting from FFB to CPO/PK.	
The requirement above will be implemented where the company obtained the RSPO Certification. During the audit the company showed the updated records or documentation of FFB received (Nota Hantaran), daily report the FFB received and processed until the CPO/PK had been produced. The updated daily data which had been showed data report dated 26 June 2014 (Stock CPO – 1,061.55 Ton), and 27 June 2014 (Stock CPO – 1,019.15 Ton) Status: complied	
	Status: Full Compliance
3.2	
Retention times for all records and reports shall be at least five (5) years.	
Part of Record Keeping (page 9 of 10) of SCCS Procedure mentioned that the Palm Oil Mill will file and keep the related SCCS documents for 10 years after the company obtained RSPO certification. The document that the company keep the files at least the record of record form of FFB to the CPO and Palm Kernel, the list of certified estates with the name of location and address, the FFB delivery notes, inventory and report of FFB until the delivered CPO/PK, customer contract, the document of mass balance starting from FFB to CPO/PK.	
	Status: Full Compliance
3.3	
<p>(a) The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal 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 facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short.</p>	
The record of FFB received, processed and the CPO/PK production, including the CP/PK stock and their delivery or dispatch will be verified on ST-2. The information of all production records can be verified on site (POM).	
The POM had showed the report or record of FFB had been received and processed, the produced CPO and PK, and the delivery of CPO/PK. This record in form of daily report, and monthly report. The data which had been showed the data on Jan to June 2014. For examples: the FFB processed on Jan 2014 (18,200 MT), Feb 2014 (14,640 MT) and the CPO produced on Jan 2014 (3.691.07 MT), Feb 2014 (3,328.82 MT); and the delivery of CPO on Jan 2014 (151.74 MT), Feb 2014 (302.02 MT) and so on.	
By the daily report the company can show the all of FFB inputs, processed, and become CPO/PK, stock in the CPO/PK Storage and Dispatch CPO and PK.	
	Status: Full Compliance

3.4	The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated.
	The company have been implementing and evaluating the RSPO Certification of the CPO Mill and their estates. Regarding the contract of certified RSPO product, the Kerteh Palm Oil Mill (POM) will be found the purchased order from Head Quarter (Jabatan Logistic) or as their marketing department. POM explained that Purchased Order or contract for the certified product (RSPO) will be input to the Mill Performance Report System in the computer system that had been set up; and the inform or mention the supply chain model mass balance. So then, starting from the certified FFB until the certified CPO/PK that there can be showed the RSPO certified product with the mass balance status.
	Status: Not Applicable will be verified on the next assessment
3.5	In cases where a mill outsources activities to an independent 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.
	The POM does not outsource the Palm Kernel to the independent palm kernel crushing (or Kernel Crushing Palm). All PK deliveries to the Felda KCP (out of Kerteh Palm Oil Plantation) for producing palm kernel oil (PKO).
	Status: Not Applicable will be verified on the next assessment
4	Sales and goods out
4.1	The facility shall ensure that all sales invoices issued for RSPO palm oil delivered include the following information: (a) The name and address of the buyer (b) The date on which the invoice was issued (c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance) (d) The quantity of the product delivered (e) Reference to related transport documentation
	The Felda Jabatan Logistic managed the certified RSPO for being sold or marketed and the POM of Kerteh does not issuing the sales invoice of certified CPO/PK. The POM only received the shipping or delivery instruction for CPO/PK and when the Kerteh obtained the RSPO certification then the Felda Jabatan Logistic will issued the shipping or delivery instruction to Kerteh POM and indicates the SCCS model which linkage to the Mill Performance Report System in the Computer.
	Status: Full compliance
5	Training
5.1	The facility shell specifies and provides the training for all staff as required to implement the requirements of the Supply Chain Certification Systems.
	Part of training of SCCS procedure mentioned that the POM provides the training to the all staff and all persons who involved the implementation of SCCS. The training schedule will be available in the Kerteh POM and also will be recorded. Kerteh POM showed the attendance list of persons who involve the training program for SCCS (documented). This training covered for all Felda Company including Best out Palm Oil Mill. There were two persons who had attended the SCCS training program. The records of SCCS training program covered the SCCS training material with the agenda of SCCS that consist of RSPO introduction, SCCS, SCC documentation, concept the mill performance report system, weighbridge and MPR System, e-trace, the measurement after registered e-trace, the documentation for e-trace audit. During the observation and interviewing, there were found the personal in charge who understood the SCCS implementation. For examples the persons at: weighbridge, loading ramp, dispatch crude palm oil and palm kernel. All these persons have been trained for the SCCS; and the evidence that had been trained for SCCS.
	Status: Full compliance

6	Claims
6.1	The facility shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules for Communications and Claims.
	The Company had not been certified yet, but the company probably to use the RSPO in their product against the RSPO Rules for Communications and Claims and in line to the RSPO SCCS training materials.
	Status: Not Applicable will be verified on the next assessment

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

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or √
ST-2	Will be verified after the management unit certified	√
	Status: Not applicable	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or √
ST-2	Will be verified after the management unit certified	√
	Status: Not applicable	
3.	Implementation of Certificate and Logo is not used on product	X or √
ST-2	Will be verified after the management unit certified	√
	Status: Not applicable	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or √
ST-2	Will be verified after the management unit certified	√
	Status: Not applicable	

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 is 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	√

	<p>locations are:</p> <ol style="list-style-type: none"> 1) PT Citra Niaga Perkasa (PT CNP) – 24th February 2011 2) PT Temila Agro Abadi (PT TAA) – 9th July 2013 <p>Both locations have undergone the RSPO New Planting Procedure (NPP):</p> <ol style="list-style-type: none"> 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>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
2014.01	2.1.3	The evaluation of Compliance. Checklist was not updated for legal requirement at Felda Kerteh 03 Estate.	Fel da Kerteh 03 Estate.	Minor	ASA-01	The management unit has to show the legal requirement compliance well documented and implemented.	Root cause: <i>No enforcement and plan from the management.</i> Corrective action: <i>Managers will monitor and issue a letter of formal instructions to the officers responsible for updating the list of legal compliance review whenever there is a change and at least once a year.</i> Preventive action: <i>Updating the list of legal compliance review whenever there is a change in the law and at least once a year.</i> Auditor conclusion: Auditor observation regarding the evidences given is the nonconformance still open.	OPEN	
2014.02	2.2.3.1	Boundary monitoring. The boundary stone checklist was not updated by the person in charge at Kerteh POM, FGVPM Semaring 01 Estate and Fel da Kerteh 03 Estate.	Kerteh POM, FGVPM Semaring 01, Fel da Kerteh 03 Estate.	Minor	ASA-01	The management unit has to show all the boundary upkeep is well record and maintain.	Root cause: <i>There are no updated records on the boundry stones by the officer in charge.</i> Corrective action: <i>Appoint an officer responsible for monitoring the border stones and updating records at least once a year.</i>	OPEN	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Preventive action: Monitor the border stone at least once a year.</p> <p>Auditor conclusion: Auditor observation regarding the evidences given is the nonconformance still open</p>		
2014.03	4.4.1	<p>Maintenance of riparian buffer zone. Buffer zone for rivers in FGVPM Semaring 01 Estate was not adequately maintained e.g no signboard for prohibition of fertilizing and chemical spraying at Sg Semaring, Sg Lui and Sg. Chemerong.</p>	FGVPM Semaring 01	Major	Prior to certificate issued	<p>1) Estates management will ensure adequate signage installed.</p> <p>2) Estates management will maintain border signs and poles at least every two months and also keep it in a good condition.</p>	<p>Root cause: Budget allocation RSPO requirements for this new complex just being approved. Buffer zone signs and signs ban on trespassing and use of chemicals in the buffer zone is in the preparation process.</p> <p>Corrective action:</p> <ol style="list-style-type: none"> 1) Estates management will ensure adequate signage installed. 2) Estates management will maintain border signs and poles at least every two months and also keep it in a good condition. <p>Evidence observed:</p> <ul style="list-style-type: none"> • There is signboard of buffer zone and forest reserve installed in all estate regarding the prohibiton of fertilizing and chemical spraying around the buffer area. • There is map of buffer zone and the signboards installed. • There is also water analysis test for Semarin River, Lui river and Shemerong river. 	Closed	2 June 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Preventive action: Maintain signs and markers spikes at least every 2 months.</p> <p>Auditor conclusion: The management units have showed evidences to closure the non conformance regarding buffer zone for rivers maintenance. NCR 2014.03 is closed</p>		
2014.04	4.4.7	<p>Water Management Plan (Water Quality Management Plan). SOP for Water Quality monitoring was available through "Prosedur Persampelan Air" Ref: ML_1A/L2-PR6 (0). However, water quality monitoring plan was not prepared and no physical sampling was carried out so far.</p>	FGVPM Semaring 01, Felda Kerteh 03	Minor	ASA-01	Periodic checks will be done in estates management and internal RSPO audit.	<p>Root cause: Lack of awareness regarding water quality monitoring requirements.</p> <p>Corrective action: Periodic checks will be done in estates management and internal RSPO audit.</p> <p>Preventive action: Re-execute the water analysis of the river.</p> <p>Auditor conclusion: Auditor observation regarding the evidences given is the nonconformance still open</p>	OPEN	
2014.05	5.2.2	<p>Implementation of conservation area management plan. There were no evidences that the estate specific 'HCV management plans' have been effectively implemented as follows: a) Conservation maps were not sighted b) Conservation buffer zoned along rivers did not have signage c) Awareness briefings on conservation requirements have not been conducted</p>	FGVPM Semaring 01 & Felda Kerteh 03 Estates	Major	Prior the certificate issued	The management unit has to show implementations of the conservation management plan.	<p>Root cause:</p> <ul style="list-style-type: none"> Budget allocation just being approved and the complex is still working on putting the signage around the required area. Lack of enforcement on the prohibition of the forest area. <p>Corrective action: a) Estates management will ensure</p>	Closed	2 June 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		<p>for workers & settlers.</p> <p>d) There was planting of oil palm trees outside Felda boundary within the Paka Forest Reserve adjacent to the Block 3 & Block 4 boundary of Felda Kerteh 3 Estate. The trees were planted in an area that was burnt and left bare at the fringe of the forest reserve.</p>					<p>adequate signage installed.</p> <p>b) Estates management will maintain border signs and poles at least every two months to keep in good condition.</p> <p>c) The management plan will be discussed and reported to the Department of Forestry regarding invasion of forest areas.</p> <p>Evidence observed:</p> <ul style="list-style-type: none"> • Socialisation of prohibition form entering the forest area conducted 20 November 2014 to workers, smallholders and contractors by the staff management unit. All the records available and well maintained. • The management unit also has appointed the staff for monitoring the boundary area for prevention of entering the protected forest area. • All the documentations were available. <p>Preventive action:</p> <p>For maintenance of signage and markers spikes at least every 2 months and enforce buffer zones and prohibition care invasion of forest areas.</p> <p>Auditor conclusion:</p> <p>The management units have show evidences to closure the non conformance regarding mplementations of the conservation management plan.. NCR</p>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							2014.05 is closed		
2014.06	5.2.3	There was no objective evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities sighted. There was no signage observed within the estate along boundaries that fringe Conservation areas.	FGVPM Semaring 01 Estate & Felda Kerteh 03	Minor	ASA-01	The management unit has to show evidence of a commitment to developing responsible measures to resolve human-wildlife conflicts.	<p>Root cause: 1) Budget allocation RSPO requirements for this new complex approved. Signage and demarcation of the border buffer zone buffer zone in the process of implementation.</p> <p>Corrective action: 1) Estates management will ensure adequate signage installed. 2) Estates management will maintain border signs and poles at least every two months to keep in good condition.</p> <p>Preventive action: Maintain signs at least every 2 months and mengutkuasakan care conservation area.</p> <p>Auditor conclusion: Auditor observation regarding the evidences given is the nonconformance still open</p>	OPEN	
2014.07	5.3.2	<p>Waste management implementation. The waste management/operational plan was not effectively implemented to avoided or reduced pollution as follows: a) Scheduled waste was not being managed in compliance to the <i>Environmental Quality (Scheduled Waste) Regulations 2005</i>. Lapses in compliance observed include:</p> <ul style="list-style-type: none"> The schedule waste store was not effectively sheltered from rain and the side splash of rain water could enter the 	Kerteh POM	Minor	ASA-01	The management unit has to show the waste management/operational plan was effectively implemented to avoided or reduced pollution.	<p>Root cause: Lack of concern from the management on scheduled waste management.</p> <p>Corrective action: Periodic monitoring by OSHA officials territory and review by the Internal Audit RSPO annually.</p> <p>Preventive action: Monitor and enforcement.</p>	OPEN	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		<p>store.</p> <ul style="list-style-type: none"> There was a surface drain from the workshop that ran through the scheduled waste store bund and discharged into a sump. Spillage of a 200L drum would flow out of the store. The oil trap sump located outside the scheduled waste store was of insufficient capacity to cater for a spillage of one 200L drum and it was exposed to rain. Empty chemical containers (SW102) were stored on site for more that 6 months. <p>b) Empty pesticide containers were stored in a locked area, but the storage area was not sheltered from rain.</p> <p>c) There was a lapse in the management plan for waste at the mill. The following wastes were generated but not listed in the 3R waste action plan:</p> <ul style="list-style-type: none"> Boiler ash being disposed at the disposal area Used tyres that were observed disposed at the boiler ash dumping area Dry sludge generated from the WWTP Empty chemical containers that were being collected back and reused 	<p>FASSB Kerteh Estate</p> <p>Kerteh POM</p>				<p>Auditor conclusion: Auditor observation regarding the evidences given is the nonconformance still open</p>		
2014.08	6.2.3	<p>Stakeholders list. The list of external stakeholders at Felda</p>	Felda Kerteh 03	Minor	ASA-01	The management unit of has to show an update	<p>Root cause: Less concern on updating the list of external</p>	OPEN	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		Kerteh 03 Estate was not adequately maintained and updated.	Estate			stakeholders list and well maintain.	<i>stakeholders.</i> Corrective action: <i>Periodic monitoring by district officials and review by the Internal Audit RSPO annually.</i> Preventive action: <i>Updating the stakeholder list consistently.</i> Auditor conclusion: <i>Auditor observation regarding the evidences given is the nonconformance still open</i>		

3.5.2 Opportunity for Improvement

No	Ref.Std	Description
1.	4.7.1	More No Smoking signages should be erected at the Kerteh Palm Oil mill operation area.
2.	4.4.4	Kerteh 03 rainfall data should be updated to the latest month.
3.	5.2.1	HCV report and related documentation could be further enhanced .e.g The HCV Management Plan could include additional specific measures to mitigate the Human - Elephant conflict that could occur due to intrusions from external forest areas.
4.	1.2.	Dissemination of publicly available documents could be further enhanced by uploading into the Felda/ FGV corporate website
5.	5.3.3	EFB and POME sludge could be more beneficially used as additional fertilizer or for renewable energy.

3.5.3 Noteworthy Positive Components

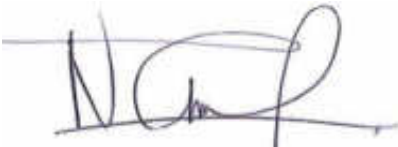
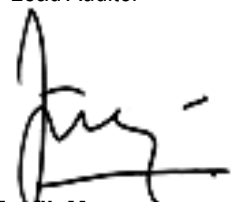
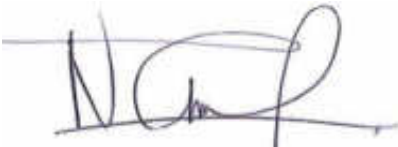
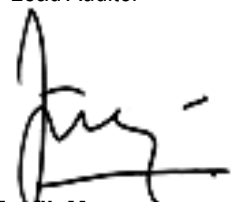
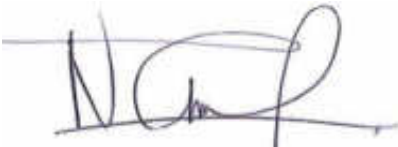
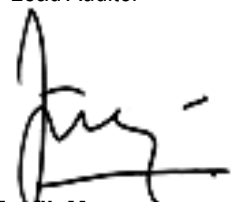
No	Descriptions
1	Management and staff commitment was evident.
2	Felda scheme was found to be successful in improving sustainable development for rural settlers.
3	The company committed to implement the Roundtable on Sustainable Palm Oil and supported through by

No	Descriptions
	<ul style="list-style-type: none">- Implementing the quality and environmental management system- Enthusiasm to demonstrate compliances against the RSPO principles and criteria- The existing land owned by community which respected to Malaysian government requirements which managed by FELDA (Federal Land Development Authority)- Good internal team working and also cooperate with the settlers under managed by FELDA- Having personal with the competence and skill accordance with their aspects.

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
Mohd Awang (Felda Kerteh 03 Peneroka Urus Sendiri/ Self Manage) Even they are managing their farm themselves but Felda still giving them a support on management and also training.	Felda management thanking them for their compliment and will retain their good relationship with settlers while maintaining a good response with them.	<ul style="list-style-type: none"> • Auditor encourages FELDA to maintain its good performance in social aspect. • Auditor will keep observe relationship of management unit with settlers to ensure good and mutual collaboration.
Wan Saedah Wan Musa (Chairman of GPW, Gender Committee) Women in Felda are not marginalized by the FELDA management. Felda also giving GPW certain budget for every year to conduct activities and programmes.	Felda management thanking them for their compliment and will retain their good relationship with settlers while maintaining a good response with them.	
Salmah bin Mohd Noor (GPW Committee, Felda Kerteh 05) During the stakeholder interview, she mention there is a lot of programs conducted by Felda to GPW Committee and teenagers such as Bengkel Jahitan, Bengkel Usahawan and religious activities.	Felda management thanking them for their compliment and will retain their good relationship with settlers while maintaining a good response with them.	
Mohd Yusof Abdullah (MPOB) He advises to all stakeholder, planters and Felda to be more cooperative among each other to maintain a high quality standard of their products. He also suggests that everybody should gain more knowledge and be more competitive in palming world i.e. using machineries to increase production.	Felda management taking into accounts their response and will retain their relationship with settlers while maintaining a good response with them.	
Ismail bin Yusof (DOSH Kuala Terengganu) FELDA and Self Manage palmer or miller should be more aware of their safety at all time.	Felda Management already assign their officer OSH at their own regional and at the same time the officer for the mills has been assigned. The implementation by felda management through the officer will be enforced.	<ul style="list-style-type: none"> • FELDA should continues improving the safety awareness and implementing the good and safe working environment.
Ariffin bin Ibrahim (smallholder/Peneroka Felda Kerteh 06) He suggests Felda to publish more information regarding palm oil issues on the	Currently Felda management already publish their information in 'Majalah Felda' and the	<ul style="list-style-type: none"> • All related information regarding palm oil

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
notice board around	suggestion regarding palm oil issues will be taking into account.	issues need to be informed to settlers continuously and periodic.
Hj Mohd Nor bin Mohd (smallholder/Peneroka Felda Kerteh 06) Felda should employ skillful or semi-skillful foreign worker to avoid error regarding to their work at the estate.	Felda already employed semi-skillful and competency workers hence their job will be based on their skill and capability.	FELDA encourage maintaining the competency of workers to maintain the quality of work.
Fatimah bt Latif (GPW Committee Felda Kerteh 06) They are very thankful to Felda for giving a scholarship and contribution such as tuition classes for students and orphans.	Felda management will retain their relationship with settlers and maintaining a good response with them.	<ul style="list-style-type: none"> • Auditor encourages FELDA to maintain its good performance in social aspect. • Auditor will keep observe relationship of management unit with settlers to ensure good and mutual collaboration.
Ismail bin Omar (Felda Kerteh 03 Peneroka Urus Sendiri/ Self Manage) Regarding to the issue of gredding and pricing, they were not much satisfied. The pricing are different among the planters.	The pricing for FFB are being paid based on their gredding quality by the mills hence the issue of satisfying on pricing will be clearly explain to them.	<ul style="list-style-type: none"> • All related information regarding palm oil issues need to be informed to settlers continuously and periodic.
Rashid bin Mohd (smallholder/Peneroka Felda Kerteh 05) He suggests Felda should conduct more consultation and intensive training to the workers at the estate to be more efficient and good at their job.	Felda already has their own intensive training for the skillfull workers hence the monitoring of workers competency on the field will be take into account.	<ul style="list-style-type: none"> • FELDA encourage maintaining the competency of workers to maintain the quality of work.

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 style="text-align: center;">Signed on behalf of:</p> <table border="0" style="width: 100%;"><tr><td style="width: 50%; text-align: center;"><p>Felda Global Ventures – FELDA</p><p><u>Norazam Abdul Hameed</u> 30 November 2015</p></td><td style="width: 50%; text-align: center;"><p>Mutuagung Lestari Lead Auditor</p><p><u>Taufik Margan</u> 30 November 2015</p></td></tr></table>	<p>Felda Global Ventures – FELDA</p>  <p><u>Norazam Abdul Hameed</u> 30 November 2015</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Taufik Margan</u> 30 November 2015</p>
<p>Felda Global Ventures – FELDA</p>  <p><u>Norazam Abdul Hameed</u> 30 November 2015</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Taufik Margan</u> 30 November 2015</p>		

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

No	Institution/NGO/Community	Address	Form of Communication	Date of Contact	Response	
					Yes	No
1	JABATAN BOMBA DAN PENYELAMAT Kerteh	Balai Bomba Kerteh , Dungun Terengganu Malaysia	Email	4 August 2014		√
2	BALAI POLIS Kerteh	Balai Polis Kerteh, 24300 Kereteh Terengganu Malaysia	Email	4 August 2014		√
3	JABATAN Perhilitan Terengganu	Wisma Persekutuan Jalan Sultan Ismail 20200 kuala Terengganu Malaysia	Interview	13 August 214		√
4	Sekolah Kebangsaan Kerteh	Sekolah Kebangsaan Kerteh Jalan Ilmu 24300 Kerteh Terengganu Malaysia.	Email	4 August 2014		√
5	JABATAN PERHUTANAN DAERAH Dungun	Jabatan Perhutanan Daerah Terengganu Selatan 23000 Dungun Terengganu Malaysia	Email	4 August 2014		√
6	MAJLIS Perbandaran Kemaman	Jalan Air Putih 24000 Kemaman Terengganu Malaysia.	Interview	11 August 214	√	
7	Klinik Kesihatan Kerteh	Bandar Baru Kerteh 24300 Kerteh Terengganu Malaysia.	Email	14 August 2014		√
8	Jabatan Pengairan dan Saliran Dungun	Bandar Al Muktafi Billah Shah,23409 Dungun Terengganu.	Email	14 August 2014		√
10	PUSAT KHIDMAT PELANGGAN	TENAGA NASIONAL BERHAD, 23000 Dungun Terengganu	Email	14 August 2014		√
14	PEJABAT RISDA DAERAH Dungun	Wisma Bukit Besi Jalan Yahya Ahmad 23000 Dungun Terengganu	Email	14 August 2014		√
17	PEJABAT PENGHULU Daerah Dungun	Kompleks Penghulu Mukim Kuala Dungun 23000 Dungun Terengganu	Email	14 August 2014		√
18	WOKERS UNION GUGUSAN KERTEH	LADANG FELDA KERTEH, 23300 Kerteh terengganu	Interview	11 August 2014	√	
19	Mohd Awang (Felda Kerteh 03 Peneroka Urus Sendiri/ Self Manage)	LADANG FELDA KERTEH, 23300 Kerteh Terengganu Malaysia	Interview	11 August 2014	√	
20	Ariffin bin Ibrahim (Felda Kerteh 06)	LADANG FELDA KERTEH, 23300 Kerteh Terengganu Malaysia	Interview	11 August 2014	√	
21	Mohd Yusof Abdullah (MPOB)	FELDA KERTEH, 23300 Kerteh Terengganu Malaysia	Interview	11 August 2014	√	
22	Wan Saedah Wan Musa (Chairman of GPW, Gender Committee)	FELDA KERTEH, 23300 Kerteh Terengganu Malaysia	Interview	11 August 2014	√	
23	JAWATANKUASA WANITA FELDA KERTEH	LADANG FELDA KERTEH, 23300 Kerteh Terengganu Malaysia	Interview	11 August 2014	√	

Appendix 2. Assessment Program

DATE	27 – 30 October 2014, 18 November 2015					
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR				
		MT	MH	NA	YH	DN
Monday, 27 October 2014						
08.30 - 09.00	OPENING MEETING	√	√	√	√	√
09.00 – 13.00	Collect Basic Information (Mill and Estates) Time Bound Plan / Partial Certification Requirements Supply Chain	√	√	√	√	√
	Document Review and Field Observation at : KERTEH POM Transparency , Legal , Economic & Finance, Mill operations best practices , POME / WWTP, Environment , Safety and Health, Hazardous Waste Management, POME, Social/ Worker Issues, Continual Improvement	√	√	√	√	√
13.00 – 14.00	BREAK					
14.00 – 17.00	Field Observation at KERTEH POM (continued)	√	√	√	√	√
	Document Review: Transparency , Legal , Economic & Finance, Boundary Markers Mill operations best practices , POME / WWTP, Environment , Safety and Health, Hazardous Waste Management, POME, Social/ Worker Issues, Continual Improvement					
	Collect Basic Information (Mill and Estates) Time Bound Plan / Partial Certification Requirements Supply Chain					
Tuesday, 28 October 2014						
08.00 - 13.00	Document Review and Field Observation at : FGVP SEMARING 01 ESTATE	√	√	√	√	√
	<ul style="list-style-type: none"> • Transparency , Legal , Economic & Finance, Boundary Markers • Manuring, Spraying, Harvesting, Best Agricultural Practices • Safety and Health , Chemical Storage, Training etc.. • Environment , HCV/ Conservation Area • Hazardous Waste Material management • Social / Worker Issues (payments, complaint mechanism, etc.) • Worker facilities (housing, health clinic, clean water, etc) • Continuous Improvement 	√	√	√	√	√
13.00 – 14.00	BREAK					
14.00 – 17.00	Document Review and Field Observation at : FGVP SEMARING 01 ESTATE (continued)	√	√	√	√	√
Wednesday, 29 October 2014						

08.00 – 13.00	Document Review and Field Observation at : FAS KERTEH <ul style="list-style-type: none"> • Transparency , Legal , Economic & Finance, Boundary Markers • Manuring, Spraying, Harvesting, Best Agricultural Practices • Safety and Health , Chemical Storage, Training etc.. • Environment , HCV/ Conservation Area • Hazardous Waste Material management • Social / Worker Issues (payments, complaint mechanism, etc.) • Worker facilities (housing, health clinic, clean water, etc) • Continual Improvement 	√	√	√	√	√
13.00 – 14.00	BREAK					
14.00 – 17.00	Document Review and Field Observation at : FELDA KERTEH 03 ESTATE <ul style="list-style-type: none"> • Transparency , Legal , Economic & Finance, Boundary Markers • Manuring, Spraying, Harvesting, Best Agricultural Practices • Safety and Health , Chemical Storage, Training etc.. • Environment , HCV/ Conservation Area • Hazardous Waste Material management • Social / Worker Issues (payments, complaint mechanism, etc.) • Worker facilities (housing, health clinic, clean water, etc) Continual Improvement 	√	√	√	√	√
Thursday, 30 October 2014						
08.00 – 13.00	Document Review and Field Observation at : FELDA KERTEH 03 ESTATE (continued)	√	√	√	√	√
13.00 – 14.00	BREAK					
14.00 – 17.00	Completion of checklist and clarification/ follow-up on outstanding audit issues Interim Team Meeting- audit findings discussion, preparation and finalisation with Client Representatives CLOSING MEETING	√	√	√	√	√
Wednesday, 18 November 2015						
08.00 – 17.00	Additional Audit for Reduction scope by Desk Review	Taufik Margani				