

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

[✓] Initial Certification

Name of Management : Kilang Sawit Chalok, Felda Palm Industries Sdn Bhd subsidiary of Felda
 Organisation : Global Ventures Holdings Bhd
 Plantation Name : Felda Global Venture Plantation Malaysia Sdn Bhd, Setiu 1
 Location : Kilang Sawit Chalok 21450 Setiu, Terengganu, Malaysia

Certificate Code : **MUTU-RSPO/122**
 Date of Certificate Issue : 16 October 2018 Date of License Issue : 16 October 2018
 Date of Certificate Expiry : 15 October 2023 Date of License Expiry : 15 October 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-2	17 to 19 July 2018	Moh Arif Yusni, Steve Mualim, M Amarullah, Ebnu Holdoon Shawal	Ganapathy Ramasamy	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	16 October 2018

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Figure 1. Location Map of Kilang Sawit Chalok, Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd

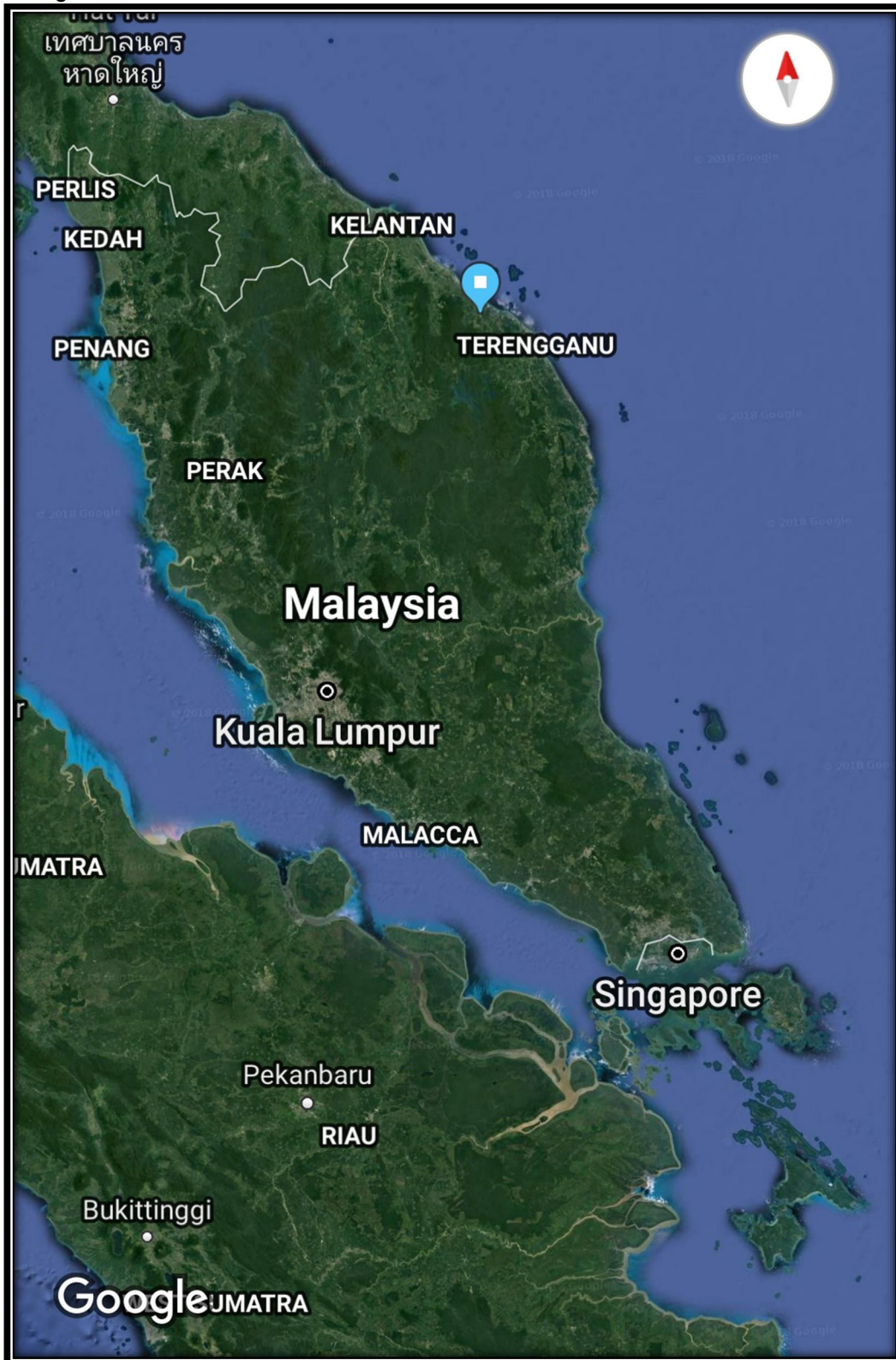
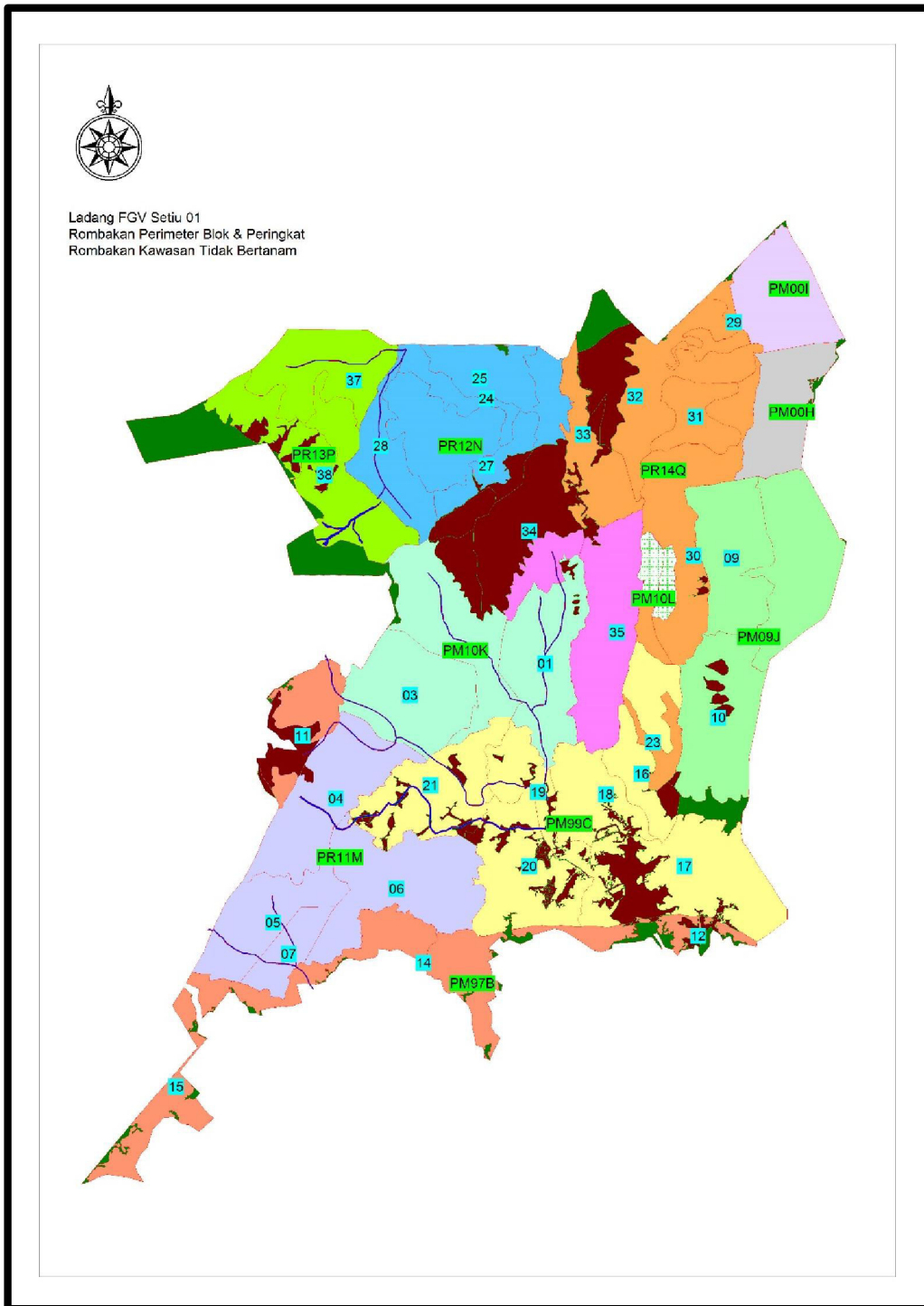


Figure 2. Operational Map of Felda Global Venture Plantation Malaysia Sdn Bhd Setiu



Abbreviations Used

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

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • <i>Malaysian National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production. Endorsed by RSPO Board of Governors 6 March 2015.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill)</i> • <i>RSPO Certification System for Principles and Criteria, 14 June 2017</i> 	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd	
1.2.2	Contact person	Mr. Norazam Abdul Hameed	
1.2.3	Organisation address and site address	RSPO Registered Company FELDA GLOBAL VENTURES HOLDINGS BERHAD Level 21, Wisma FGV, Jalan Raja Laut, Kuala Lumpur, Kuala Lumpur, 50350 Malaysia Plantation Sustainability Department (PSD) Level 20, West Wing, Wisma FGV Jalan Raja Laut, Kuala Lumpur, Kuala Lumpur, 50350 Malaysia	
1.2.4	Telephone	(+ 603) – 2789 0497	
1.2.5	Fax	(+ 603) – 2789 0440	
1.2.6	E-mail	norazam.ah@feldaglobal.com	
1.2.7	Web page address	http://www.feldaglobal.com	
1.2.8	Management Representative who completed the application for certification	Mr. Anthonius Sani	
1.2.9	Registered as RSPO member	1-0225-16-000-00, 27 December 2016	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: <ul style="list-style-type: none"> • Kilang Sawit Chalok, Felda Global Venture Plantation Malaysia Sdn Bhd Setiu 1 	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Kilang Sawit Chalok	Kilang Sawit Chalok 21450 Setiu, Terengganu, Malaysia	5° 27' 18" N 102° 47' 2" E

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	FGVP(M) Setiu 1	Pejabat Ladang Felda Setiu 01, Bandar Permaisuri 22100 Setiu Terengganu, Malaysia	05° 33' 17" N	102° 43' 19" E
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		Estate : 3,104.26	Ha
			POM :10.42	Ha
	• Community			- Ha
1.5.2	Area Statement			
	• Total area		3,114.68	Ha
	• Mature area		1,986.09	Ha
	• Immature area		409.73	Ha
	• Mill		10.42	Ha
	• Trench/ Swamps / river		218.78	Ha
	• Infrastructure		20.21	Ha
	• Nursery		21.38	Ha
	• Air Strip		6.55	Ha
	• Others area		441.52	Ha
	• HCV (HCV Area include to planted area)		13.70	Ha
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Ladang FGVP(M) Setiu 1	Total	
	1989	194.82	194.82	
	1991	60.05	60.05	
	1995	56.10	56.10	
	2009	261.27	261.27	
	2010	386.93	386.93	
	2011	305.84	305.84	
	2012	231.77	231.77	
	2013	182.10	182.10	
	2014	307.21	307.21	
	2018	409.73	409.73	
	TOTAL	2,395.82	2,395.82	
1.6.2	New Planting area after January 2010		-	Ha
1.6.3	Planting Cycle		2 nd Cycle	

1.7	Description of Mill and 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 (%)
	Chalok	40	155,550	30,767.63	19.78	7,704.24	4.75
	<i>*Production data source from July 2017 – June 2018</i> <i>*There is discrepancy between FFB received and FFB processed are 1,951.16 Ton. The whole of 1,741.61 tonnes were sent to another mill nearby due to Chalok POM maintenance on January and February 2018 and the rest (213.55 tonnes) are restan from processes</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	FGVP(M) Setiu 1	3,114.68	2,395.82	25,472.34	10.53	25,472.34	100
	TOTAL	3,114.68	2,395.82	25,472.34	10.53	25,472.34	100
	<i>*Production data source from July 2017 – June 2018</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tonnes/year)		
	Felda Tenang Besut	Independent Supplier	-	-	7,282.24		
	Felda Chalok Barat	Independent Supplier	-	-	3,684.71		
	Felda Selasih	Independent Supplier	-	-	8,171.37		
	Felda Chalok	Independent Supplier	-	-	6,468.29		
	Felda Belara	Independent Supplier	-	-	7.51		
	FTPSB Felda Chalok	Independent Supplier	-	-	8,258.99		
	FTPSB Tenang Besut	Independent Supplier	-	-	6,296.64		
	FTPSB Belara	Independent Supplier	-	-	2,196.18		
	FTPSB Chalok Barat	Independent Supplier	-	-	3,837.27		
	FTPSB Selasih	Independent Supplier	-	-	191.25		
	FTP Chalok	Independent Supplier	-	-	108.36		
	Jawatankuasa Kemajuan Kampung Felda Chalok Barat	Independent Supplier	-	-	1,679.41		
	Koperasi Penanam Sawit Daerah Setiu	Independent Supplier	-	-	56.1		
	Ahmat Bin Mat Ali	Independent Supplier	-	-	72.45		
	Abdul Fatah Abdullah	Independent Supplier	-	-	6.77		
	W.liah Bin Wa Salim	Independent Supplier	-	-	1.5		
	Yacoob Bin Tahoor	Independent Supplier	-	-	11.72		
	Siti Aminah Bin Abdullah	Independent Supplier	-	-	21.58		
	Tai Ichi Enterprise	Independent Supplier	-	-	33,323.15		
	Sern Lee Ent. SDN BHD	Independent Supplier	-	-	1068.74		
	Risda Plantation SDN BHD	Independent Supplier	-	-	6,063.46		
	Ekstrapalma SDN BHD	Independent Supplier	-	-	152.12		

	Prima Bakti	Independent Supplier	-	-	1519.58			
	Kim Ma Oil Palm SDN BHD	Independent Supplier	-	-	35,578.24			
	Pertubuhan Peladang Negeri Trg	Independent Supplier	-	-	284.67			
	Ladang Rakyat Terengganu	Independent Supplier	-	-	462.2			
	Permiagaan Bingan Jaya	Independent Supplier	-	-	920.32			
	Pertubuhan Peladang Kw Setiu	Independent Supplier	-	-	276.18			
	Bakti Mas Bina	Independent Supplier	-	-	2,313.71			
	Felcra Berhad	Independent Supplier	-	-	1,718.11			
	TOTAL				132,032.82			
	<i>*Production data source from July 2017 – June 2018</i>							
1.7.4	Product categories	FFB, CPO, PK						
1.8	Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (mm yy to mm yy) (MT)				
	• FFB Production							
	• CPO Production							
	• Palm Kernel (PK) Production							
	<i>*will be verified during the 1st Surveillance Assessment</i>							
1.8.2	Product selling							
	Tonnage of selling product	Period of actual selling product (dd/mm/yy) to (dd/mm/yy)						
	• CSPO sold as RSPO certified product							
	• CSPK sold as RSPO certified product							
	• CSPO sold under other scheme							
	• CSPK sold under other scheme							
	• CSPO sold as conventional							
	• CSPK sold as conventional							
	<i>*will be verified during the 1st Surveillance Assessment</i>							
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Ladang FGVP(M) Setiu 1	3,114.68	2,395.82	32,343	13.50			
	TOTAL	3,114.68	2,395.82	32,343	13.50			
	<i>*Projected FFB production for 16 October 2018 to 15 October 2019</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Chalok	40	32,343	6,792	21.00	1,617	5.00	MB
	<i>*Projected CSPO and CSPK production for 16 October 2018 to 15 October 2019</i>							
1.9	Other Certifications							
	Others	-						

1.10 Time Bound Plan					
1.10.1 Time Bound Plan for Other Management Units					
Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
Mill	Time bound				
Kota Gelanggi	2018	FASSB PPPT; FASSB Kota Gelanggi 5/6	2018	Pos Felda Kota Gelanggi.27000 Jerantut, Pahang	-
Lepar Utara 6	2017	FGVP(M) Lepar Utara 7 FGVP(M) Lepar Utara 8 FGVP(M) Lepar Utara 9 FGVP(M) Lepar Utara 11	2017	Peti Surat 12 & 2020 26400 Bandar Pusat Jengka Pahang	Certified-
Jengka 21	2018	FASSB Jengka 24/25	2018	Bandar Pusat Jengka, 26400 Pahang	-
Jengka 3	2019	Felda Settlers	2019	26400 Bandar Jengka. Pahang	-
Jengka 8	2019	Felda Settlers	2019	26400, Bandar Tun Abdul Razak Jengka, Pahang	-
Lepar Utara 4	2017	FGVP(M) Lepar Utara 4 FGVP(M) Lepar Utara 10 FGVP(M) Lepar Utara 14	2017	26400 Bandar Pusat Jengka, Pahang	Certified-
Jengka 18	2019	Felda Settlers	2019	26400 Bandar Pusat Jengka, Jengka, Pahang	-
Padang Piol	2019	Felda Settlers	2019	27040 Jerantut, Pahang	-
Adela	2018	FGVP(M) Kledang 02	2018	PO Box 73, Bandar Penawar, Kota Tinggi 81930 Johor	-
Lok Heng	2020	Felda Settlers	2020	PO Box 55, 81907 Kota Tinggi, Johor	-
Semenchu	2020	Felda Settlers	2020	Peti Surat 63, 81907 Kota Tinggi, Johor	-
Wa Ha	2020	Felda Settlers	2020	Karung Kunci S24, 81907 Kota Tinggi, Johor	-
Bukit Kepayang	2018	FGVP(M) Terapai 3	2018	28300 Triang, Pahang	-
Bukit Mendi	2019	Felda Settlers	2019	28320 Triang, Pahang	-
Kemasul	2017	FGVP(M) Mengkarak 1 FGVP(M) Mengkarak 2	2017	28300 Triang, Pahang	Certified-
Tementi	2018	FGVP(M) Bera Selatan 1 FGVP(M) Bera Selatan 4	2018	38300 Triang, Pahang	-
Triang	2017	FGVP(M) Triang 2 FGVP(M) Triang Selatan 1 FGVP(M) Triang 4	2017	28300 Triang, Pahang	Certified-
Belitong	2018	FASSB Ulu Belitong FGVP(M) Bukit Tongkat B	2018	Peti Surat 61, 86007 Kluang, Johor	-
Bukit Besar	2020	Felda Settlers	2020	81450 Kulai, Johor	-
Kahang	2020	Felda Settlers	2020	Karung Berkunci No. 533, 86007 Kluang,	-

					Johor	
	Kulai	2018	FASSB Bukit Besar/Taib Andak	2020	Felda Taib Andak, 81000, Kulai, Johor	-
	Nitar	2017	FGVP(M) Nitar Timur	2018	KM 13 Jalan Mersing Kluang 86800 Mersing Johor.	Certified-
	Penggeli	2018	FGVP(M) Inas Selatan	2018	Peti Surat 28, 81440 Bandar Tenggara, Johor	-
	Lepar Hilir	2017	FGVP(M) Lepar Hilir 5 FGVP(M) Lepar Hilir 6 FGVP(M) Lepar Hilir 8	2017	Gambang, Pahang	Certified-
	Bukit Sagu	2017	FGVP(M) Bukit Sagu 4 FGVP(M) Bukit Sagu 6 FGVP(M) Bukit Sagu 7 FGVP(M) Bukit Sagu 8	2017	Peti surat 331, 26130 Kuantan, Pahang	Certified-
	Baiduri Ayu	2019	FGVP(M) Sahabat 9 FGVP(M) Sahabat 16 FGVP(M) Sahabat 55	2019	Peti Surat 29, Pos Cenderawasih, 91150 Lahad Datu, Sabah	-
	Kembara Sakti	2018	FGVP(M) Sahabat 30 FGVP(M) Sahabat 35 FGVP(M) Sahabat 40 FGVP(M) Sahabat 41 FGVP(M) Sahabat 42 FGVP(M) Sahabat 43	2019	Peti Surat 24, 91150, Cenderawasih, Lahad Datu, Sabah	-
	Mercu Puspita	2019	FGVP(M) Sahabat 7 FGVP(M) Sahabat 46 FGVP(M) Sahabat 48 FASSB Sahabat 6	2019	Peti Surat 29, 91150, Cenderawasih, Lahad Datu, Sabah	-
	Nilam Permata	2019	FGVP(M) Sahabat 50 FGVP(M) Sahabat 51 FGVP(M) Sahabat 52 FGVP(M) Sahabat 53 FGVP(M) Sahabat 54	2019	Peti Surat 23, 91150, Cenderawasih, Lahad Datu, Sabah	-
	Hampan Badai	2019	FGVP(M) Sahabat 23 FGVP(M) Sahabat 24 FGVP(M) Sahabat 26 FGVP(M) Sahabat 28 FGVP(M) Sahabat 31 FGVP(M) Sahabat 33 FGVP(M) Sahabat 34 FASSB Tambisan	2019	Peti Surat 25, 91150, Cenderawasih, Lahad Datu, Sabah	-
	Embara Budi	2019	FGVP(M) Sahabat 11 FGVP(M) Sahabat 12 FGVP(M) Sahabat 17 FGVP(M) Sahabat 56 FGVP(M) Sahabat 20 FGVP(M) Sahabat 21 FGVP(M) Sahabat 22 FGVP(M) Sahabat 25	2019	Peti Surat No. 28, 91105 Lahad Datu, Sabah	-
	Lancang Kemudi	2019	FGVP(M) Sahabat 10 FGVP(M) Sahabat 36 FGVP(M) Sahabat 38	2019	Felda Sahabat 45, Lahad Datu, Sabah	-

			FGVP(M) Sahabat 39 FGVP(M) Sahabat 44 FGVP(M) Sahabat 45			
Kalabakan	2019		FGVP(M) Kalabakan Utara 1 FGVP(M) Kalabakan Tengah 1 FGVP(M) Kalabakan Selatan	2019	Peti Surat No. 62007, 91030 Tawau, Sabah	-
Umas	2019		FGVP(M) Umas 5 FGVP(M) Umas 6	2019	WDT 43,91009, Tawau, Sabah	-
Besout	2017		FGVP(M) Besout 6, FGVP(M) Besout 7	2017	35600 Sungkai, Perak	Certified-
Trolak	2020		Felda Settlers	2020	Pejabat POS Sungkai, 35600 Sungkai, Perak	-
Krau	2017		FGVP(M) Krau 2 FGVP(M) Krau 4	2017	Peti Surat 17, 28700 Bentong, Pahang	Certified-
Panching	2020		Felda Settlers	2020	Peti Surat 257, 25730 Kuantan, Pahang	-
Neram	2018		FGVP(M) Cherul 03	2018	Pejabat Pos Mini Felda Neram 1, 26160 Kuantan, Pahang	-
Mempaga	2019		Felda Settlers	2019	28600 Karak, Pahang	-
Chalok	2018		FGVP(M) Setiu 1	2018	21450 Setiu Terengganu	-
Sg Tenggi	2019		Felda Settlers	2019	Felda Gedangsa, 44010 Kuala Kubu Bahru, Selangor	-
Serting	2018		FGVP(M) Palong 17 FGVP(M) Palong 18 FGVP(M) Palong 21	2018	Bandar Baru Serting, 72109 Jempol, Negeri Sembilan	-
Keratong 02	2018		FGVP(M) Bera Selatan 3	2018	Peti Surat 28, 26900 Bandar Tun Razak, Pahang	-
Keratong 03	2018		FGVP(M) Keratong 11	2018	Peti Surat 21, 26900 Bandar Tun Razak, Pahang	-
Pasoh	2020		Felda Settlers	2020	72300 Simpang Pertang, Negeri Sembilan	-
Kerteh	2017		FASSB Kerteh FGVP(M) Semaring 01	2018	Beg berkunci No. 3, 23309 Ketengah Jaya, Terengganu	-
Selendang	2017		FGVP(M) Selendang 3 FGVP(M) Selendang 4 FGVP(M) Selendang 5 FGVP(M) Berabong 1	2017	Pejabat Pos Kuala Rompin, 26800 Rompin, Pahang	Certified-
Selancar 2A	2020		Felda Settlers	2020	Peti Surat 98, 85007 Segamat, Johor	-
Selancar 2B	2017		FGVP(M) Selancar 6 FGVP(M) Selancar 8 FGVP(M) Selancar 9	2017	Peti Surat 98, 85007 Segamat, Johor	Certified-

	Jerangau Barat	2020	Felda Settlers	2020	Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	-
	Jerangau Baru	2017	FGVP(M) Rantau Abang 1 FGVP(M) Rantau Abang 2 FGVP(M) Chador 1	2018	Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	Certified-
	Palong Timur	2017	FGVP(M) Palong Timur 4/5; FGVP(M) PALONG TIMUR 06	2017	Peti Surat 2, 73400 Gemas, Negeri Sembilan	Certified-
	Serting Hilir	2018	FGVP(M) Tembangau 3 FGVP(M) Tembangau 5 FGVP(M) Tembangau 6 FGVP(M) Tembangau 7 FGVP(M) Tembangau 8 FGVP(M) Tembangau 9 FASSB Serting Hilir	2018	72120 Bandar Baru Serting, Negeri Sembilan	-
	Maokil	2017	FGVP(M) Maokil 6 FGVP(M) Maokil 7	2017	Jalan Kilang, Rancangan Felda Maokil, 85300 Labis, Johor	Certified-
	Tenggaroh	2018	FGVP(M) Tenggaroh 9 FGVP(M) Tenggaroh 11 FGVP(M) Tenggaroh 13	2018	86810 Jalan Jemaluang, Mersing Johor	-
	Tenggaroh Timur	2017	GVP(M) Tenggaroh 12 FGVP(M) Tenggaroh Timur 2	2017	Karung Berkunci No. 534, 81907 Kota Tinggi, Johor	Certified-
	Keratong 09	2017	FGVP(M) Bera Selatan 5 FGVP(M) Bera Selatan 7 FGVP(M) Merchong FGVP(M) Keratong Timur FASSB Merchong	2017	Peti Surat 32, 26900 Bandar Tun Razak, Pahang	Certified-
	Kechau B	2017	FGVP(M) Kechau 6 FGVP(M) Kechau 8 FGVP(M) Kechau 9 FGVP(M) Kechau 10	2017	Peti Surat 57, 27200 Kuala Lipis, Pahang	-
	Chiku	2018	FGVP(M) Ciku 4 FGVP(M) Ciku 8	2018	Peti Surat 29, 18300 Gua Musang, Kelantan	-
	Aring.A	2017	FGVP(M) Aring 2 FGVP(M) Aring 3 FGVP(M) Aring 4 FGVP(M) Aring 5 FGVP(M) Aring 6 FGVP(M) Aring 8 FGVP(M) Aring 10 FGVP(M) Aring 11 FGVP(M) Aring 15	2017	Kelantan, MALAYSIA	Certified-
	Kemahang	2020	Felda Settlers	2020	Peti Surat 35, 17507 Tanah Merah, Kelantan	-
	Tersang	2020	Felda Settlers	2020	27600 Raub, Pahang	-
	Chini 2	2020	Felda Settlers	2020	26690 Chini, Pahang	-

	Chini 3	2017	FGVP(M) Terapai 1 FGVP(M) Chini Timur 4	2018	26690 Chini, Pahang	-
	Sampadi	2019	FGVP(M) Sampadi 1 FGVP(M) Sampadi 3 FGVP(M) Sampadi 4 FGVP(M) Sampadi 5 FGVP(M) Sampadi 6	2019	Peti Surat 18, 94507 Lundu, Sarawak	-
	Air Tawar	2020	Felda Settlers	2020	81900 Kota Tinggi, Johor	-
	Pontian United Plantation	2019	Pontian Fico Pontian Subok Pontian Orico Pontian Pendirosa Pontian Kuril Pontian Hilco Rawajaya Sdn Bhd Blossom Plantation Sdn Bhd	2019	KM52 off Jalan Sandakan-Lahad Datu, PO Box 60525, 91114 Lahad Datu, Sabah	-
	FGV Asian Milling Plantation	2021	Inco Setia Sdn Bhd Kronos Plantation Sdn Bhd Fortune Plantation Sdn Bhd BJ Corporatio Sdn Bhd	2021	Malaysia	-
	FGV Yapid Mas (Golden Land)	2021	15 Estate : Sri Kehuma Yapidmas AE Tanah Emas Corporation Bhd Ladang Kluang Yapidmas D Sri Mosta 1 Sri Mosta 2 Sri Mosta 3 Cepat Ringgit A Cepat Ringgit B Cepat Ringgit D Karamuak Sg Milian Sg Imbak Kuamat Sg Imbak Kuamat	2021	Malaysia	-
	PT Citra Niaga Perkasa	2021	PT Citra Niaga Perkasa Estate	2021	Indonesia	-
	PT Temila Agro Abadi	2021	PT Temila Agro Abadi Estate	2021	Indonesia	-
	FGV estate without FGV mill (FGVP(M) Paloh)	2021	FGVP(M) Paloh Estate	2021	Malaysia	-
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					

KKS Chalok receive FFB from scheme smallholder and independent outgrower. The process of RSPO certification for scheme smallholder will be observed on next assessment.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ST-2	<ol style="list-style-type: none"> Moh Arif Yusni (Lead Auditor). Indonesian citizen, bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection) Faculty of Agriculture. He has a working experience for 2 (two) years since 2010 as Operational staff in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course. Now he worked at Professional Certification Body. He has been several times following audit related to sustainable palm oil certification system as an observer and auditor. Training attended: ISO 19011, ISO 9001; ISPO 14001, RSPO Lead Auditor, ISPO Lead Auditor, OHS Expert, OHS Auditor based on National Government No 50 year of 2012. Since 2012 has been following many audit as auditor for ISPO and RSPO Scheme for several aspect, such as land Legality, Worker Welfare, OHS, transparency, long term economic aspect and Supply chain for palm oil mill. At the time of audit, has appointed to verify SCCS, Legality, Worker welfare, social aspect and land dispute Steve Mualim (Auditor). Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in bahasa and Chinese mandarin. At the time of audit, has appointed to verify Social, Transparency HCV, and environmental aspect Mohamad Amarullah (Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has conducted several ISPO and RSPO audit scheme as an Auditor since 2014, as well as MSPO in 2017 towards Legal, best management practices, environment, conservation and safety aspect. Fluent in Bahasa, Malay and English. At the time of audit, has appointed to verify OHS, best management practices and long term management plan aspect(s). Ebnu Holdoon Shawal. Malaysia Citizen. He graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit including Felda POM, FGV Palm Oil Mill, Sime Darby Palm Oil Mill and United Plantation as auditors and have total 108 man days following the auditing activities. He has gone successfully completed and pass the Lead Auditor Course by Checkmark Training and Partners and undergone MSPO Training by SGS Training for both Scheme. He had attend 5 Certification Body workshop for RSPO in Malaysia and being part of technical working group of MSPO-ACB Document by Department of Standards Malaysia. During this audit he support to communicate with local stakeholder.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST-2	<p>Number of auditors: 3 auditors Number of days for Stage-2 at site: 3 days Number of working days for Stage-2 at site : 9 Working days</p>
2.2.2	Assessment Process
ST-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the for FGVP(M) Kilang Sawit Chalok, FGVP(M) Setiu 1 to the requirements of Malaysia National Interpretation - RSPO MY-NIWG of Principles and Criteria (P & C) for Sustainable Palm Oil Production endorsed by RSPO Board of Governors 6 March 2015 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised June 2017 (Module E for CPO Mill)</p>

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

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

The assessment program please find Appendix

2.2.3 Locations of Assessment

ST-2 Number of units in this certification activity is one Palm Oil Mill and one estate, which supply the raw material (FFB) to Kilang Kelapa Sawit Chalok. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are One palm oil mill (Chalok POM) and Setiu Estate

Chalok POM

- **Station FFB Sortation.** Observation and interview with two licensed Local FFB Graders (Malaysian) towards technical, sampling technique, manpower, safety and environment aspects.
- **Station Loading Ramp.** Observation and interview with 1 local operator (Malaysian) towards technical, maintenance, manpower, safety and environment aspects.
- **Station Sterilizer.** Observation and interview with 1 local operator (Malaysian) towards technical, maintenance, manpower, safety and environment aspects.
- **Station Oil Room.** Observation and interview with 1 local operator (Malaysian) towards technical, maintenance, manpower, safety and environment aspects.
- **Station Boiler.** Observation and interview with 1 local operator (Malaysian) towards technical, maintenance, manpower, safety and environment aspects.
- **Station Engine Room.** Observation and interview with 1 local operator (Malaysian) towards technical, maintenance, manpower, safety and environment aspects.
- **Hydrant Simulation.** To observe readiness of emergency facility in Chalok Mill.
- **Water treatment plant.** Observation for water usage monitoring and chemical management
- **Chemical store.** Observation for hazardous material management and OHS
- **Lubricants store.** Observation for hazardous material management and OHS
- **Workshop.** observation for worker welfare and OHS
- **Waste water treatment plant.** Observation for palm oil mill effluent management
- **Biogas plant.** Observation for waste water utilization
- **Scheduled waste store.** Observation for hazardous waste management

Setiu 1 Estate

- **Field 14Q Block 31.** Observation to **EFB mulching** on immature area and 2104 planted area which has **terraces planting pattern** and certain area has slope with more than **25°** and **HCV 4** area.
- **Nursery.** Observation on **nursery management**, installation of **barn owl box** and **liquid fertilizer application**.
- **Field 10L Block 35.** Observation and interview with Foreman and 2 **Harvesters** from Indonesia on their understanding towards technical, manpower, safety, environment and conservation aspects.
- **Field 10K Block 01.** Observation and interview with Foreman and 3 **Pesticide Applicators** from Malaysia, Indonesia and Bangladesh on their understanding towards technical, manpower, safety, environment and conservation aspects.
- **Field 18R Block 11.** Observation to **replanting area** in 2018 which has terraces planting, and estate management towards soil and water conservation on this area.

- **Field 10K Block 03.** Observation to **barn owl box**.
- **Field 11M Block 06.** Observation and interview with 5 **Fertilizer Applicators** (all Malaysian) on their understanding towards technical, manpower, safety, environment and conservation aspects.
- **Pesticides Mixing and rinse areas.** Observation for pesticides and agrochemical handling and management
- **Pesticides applicator PPE store.** Observation for OHS and waste management.
- **Fertilizer store.** Observation for agrochemical handling and management
- **Chemical store.** Observation for pesticides agrochemical handling and management
- **Central housing.** Observation for workers facilities and worker welfare
- **Contractor FFB transport parking areas.** Observation for waste management
- **Unplanted area.** Observation the area that proposed for new planting
- **Palung River.** Observation about conservation Area, There are also sighted signboard prohibition of hunting and logging.
- **Boundary stone at Block 18.** Based on field observation sighted 4 boundary stones

Stakeholder

1. FGV Contractor
2. Local Communities
3. Foreign Workers representative (Bangladeshi, India and Indonesian)
4. Gender Committee (GPW)

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ST-2	<p>Consultation of stakeholders for Kilang Chalok, FPISB held by:</p> <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com and www.rspo.org on 10 June 2018. 2. Consultation meeting and interview with Internal and external; Stakeholder (labour union, orang asli and gender committee) on 18 July 2018 3. Consultation with NGO (<i>Majlis Kebajikan dan Pembangunan Masyarakat Kebangsaan Malaysia</i>, Pesticide Action Network Asia & Pacific, Environmental Protection Society) via email on 13 July 2018 <p>Kilang Kelapa Sawit Chalok FPISB clarified Numbers of input from stakeholders.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-1) will be determined at least 8 to 12 months approval of RSPO certification process by CB.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Chalok Mill - Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there were four (4) Nonconformities were assigned against Major Compliance Indicators; one (1) nonconformity were assigned against Minor Compliance Indicators and five (5) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (document record/photographic/etc...). Those corrective actions taken that consist of four (4) Major Nonconformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Chalok Mill - Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd. complied with the requirements of Malaysia National Interpretation - RSPO MY-NIWG of Principles and Criteria (P & C) for Sustainable Palm Oil Production endorsed by RSPO Board of Governors 6 March 2015 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised June 2017 (Module E 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 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 The company shown the list of stakeholders updated in 2018 consisting of government agencies, surrounding villages, local government institution, and etc. The company has develop SOP <i>Komunikasi Penglibatan dan Rundingan</i> dated 1 June 2016. This procedures explained that the submitted suggestions will be presented by the Head Unit to the relevant departments. The Personal in Charge for providing information and communication has been pointed bor both Setiu estates and Chalok mill. Stakeholders meeting had been done on May 2018 at Setiu estate and Chalok POM that involve all parties related to the FGV operation. Objectives of this stakeholder meeting are to socialize all FGV policy related to RSPO certification.</p> <p>1.1.2 FGV had established a procedure of SOP related to grievance and response to stakeholder referring to "<i>Komunikasi, Penglibatan dan Rundingan</i> – FGV/ML-1A/L2- Pr12. The information and procedure are made aware by the management through muster morning meeting and policy related to it has been displayed at morning roll call meeting. Communication Officers responsible for identifying and planning the necessary information and shall be communicated / response plan to stakeholders and the depositary; responses to incoming mail not later than two weeks after the letter was received; and then delivered to stakeholders with a receipt. The company also shown communication logbook periods 2018 which describes letter date, PIC, applicant name, the institution, the request and the letter status. Document review shown that all of information request has been responded by company on time and interviews with related stakeholders during public consultation acquired information that company have</p>	

response all request for information from stakeholder

Status: Comply

1.2

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

1.2.1

Company shown list of publicly available information for stakeholders listed on stakeholder publicly available documents. It include the Land title of the management unit (mill and supply bases), HCV identification, OSH plan of the mill and estate, risk assessment, mitigation plan (HIRARC document), Environmental Management Plan (EMP) and Environmental Risk Assessment (EIA) aspect and impact of the plantations activity towards the environment, waste management plan of scheduled waste and domestic waste. The list is available at each unit and can be accessed by internal and external stakeholders. If stakeholders ask for documents apart from the list, it needs approval from top management.

Status: Comply

1.3

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

1.3.1

The company Felda Global Ventures Plantations had set up the policy of code ethical conduct documented and communicated to all level of workforce and third party contractor. The company has input all the elements of prohibitions of all forms of corruption, bribery and fraudulent of funds into the code of conduct. Code ethical conduct made available at the estate and Mill referring to 'Polisi Kod Etika Kerja dan Integriti' approved by Group Chief Executive dated 1/6/2014.

The code of ethical conduct has been made in Bahasa and English language and been communicated to the workers in Bahasa due to workers understood the language. The communication of policy has been done on morning roll call and displayed on the notice board at the hostel area. Sighted the notice board at the office management and roll call area.

That policy has been socialized on 09 July 2018 for Setiu Estate and 20 May for Chalok Palm Oil Mil. Based on the interview with the contractors also, the management had given them copy of booklet and company policy and sign the acceptance letter of receiving the booklet that the contractors will adhere to the company policies. Based on the interview and field visit made, the external stakeholders are also understand the policy and code of ethical conduct of FGV where is no present should be given for any occasion. Sighted in the office, the banner of no present policy at FGVP (M) management unit.

Stakeholders meeting had been done on May 2018 at Setiu estate and Chalok POM that involve all parties related to the FGV operation. Objectives of this stakeholder meeting are to socialize all FGV policy related to RSPO certification including FGV business code of conduct. Based on interview for examples chemical store PIC, shown that workers have awareness related to FGV code of conduct.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

2.1.1

The management unit has shown the compliance of local, national, international laws and regulation, such as MPOB license; DOE license; there are certificate of fitness and inspections from JKPP, the mill has boiler mans and charge man's etc. During mill visit, sighted the mill effectively managing the chemical/lubricant store area with latest copies of SDS [Safety Data Sheet] displayed and the soft copies being maintained at mill's office as required by Classification, Labelling, and Safety Data Sheet of Hazardous Chemicals (CLASS) Regulations 2013.

In estates, among the legal & other requirements evaluated were Classification, Labelling & Safety Data Sheet of Hazardous Chemicals Reg 2013, Pesticide Act 1974 (Act 149), Electrical Supply Act 1990 (amended 2015), Akta Kesatuan Kerja 1959, Immigration Act 1959, Passport Act 1966, Employee Provident Fund Act 1991, Weight and Measures Regulations 1981 (Act

71), Water Management Authority (Licensing) Regulation 2012, Estate Hospital Assistants (Registration) Act 1965 -rev. 1990, Employee Social Security Act 1969 etc and All foreign worker has had work permit and still valid, for example.

During mill visit, sighted the EFB were filled outside of the fencing area that near to water course. This is against the requirement stipulated in *Jadual Pematuhan* [# 004049] that EFB should be at least 100 meters away from any water course.

Based on that explanation, raised the Non-Conformance No 2018.01 with Major category

2.1.2 & 2.1.3

There is a “Legal & Requirements Register” established by the CDD (Certification and Due Diligent) and sent to each estate and mill. The evaluation of compliance is conduct once a year by manager and assistant manager of each management unit in accordance with procedure “*Pematuhan Undang-Undang dan Keperluan Lainnya*”. Based on the evaluation on January 2018, among the legal & other requirements evaluated were Factories & Machinery Act 1967, Classification, labelling & Safety data Sheet of Hazardous Chemicals Reg 2013, Pesticide – labelling Reg. 1984, OSH 1994 and EQA 1974.

2.1.4

FGVP(M) already has procedures for changes / update of legislation in “*Prosedur Undang-Undang dan Keperluan Lainnya*”. The source of regulation update is based on government act book, relevant industry associations, relevant government departments (such as Department of Environmental, Department of Safety and Health, Department of Labor), National Occupational Safety and Health Institute and MPOB. Each management has had PIC to update the relevant regulation.

2.1.1 Status: Non-Conformance No 2018.01 with Major category

2.2

The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.

2.2.1

Management unit of KKS Chalok owned by Felda Palm Industries Sdn Bhd, located at Negeri Terengganu, Malaysia. Hak Milik No. 941 on 27 June 2012 with area 104,200 m² valid until 18 February 2061 with Cukai Tahunan RM 12,504.00.

Managements unit of Setiu 1 Estate is owned by **FGVP(M)**. Sighted Letter No. PTG.TR.00/42/1995/C/002/01-(44) dated 18 April 2011 from *Pejabat Pengarah Tanah dan Galian* Terengganu about: *Pemberian Hakmilik Tanah Kepada Lembaga Kemajuan Tanah Persekutuan (FELDA) untuk dikendalikan secara Ladang Komersial*. Period: 60 Year. There are 10 Complex and District:

Name	District	Area (Hectare)
Hulu Setiu 1	Setiu	1,742.2704
Hulu Setiu 2	Setiu	1,308.2244
Hulu Setiu 3	Setiu	671.4145
Mercang 1	Marang	1,689.9525
Mercang 2	Marang	1,568.3403
Chador 1	Dungun	2,912.0071
Semaring 1	Dungun	1,605.8709
Cerul 3	Kemaman	1,959.7729
Neram 3	Kemaman	613.1114
Kerteh 7	Dungun	720.1670
Total		14,791.1314

Based on interview with management its known if the FGVP(M) Setiu 1 land title on District Setiu (Hulu Setiu 1&2). The total area of FGVP(M) Setiu 1 & 3,050.49 Ha, Based on the area statement, total title area is 3104.26 Ha and the planted area is 2395.82. Found there is a discrepancy as below which to be sort it prior to certification decision and will have a significant impact on area 53.77 Ha. The discrepancy due to on April 24, 2014, measurements were made by the MSC (Meridian Survey Consultants- Surveyors who obtained a license under Act 458 (revised 1991) and obtained an actual area of 3104.26

2.2.2

The estates were seen compliance to “Manual Ladang Sawit Lestari” – document No. MLSL (Ed.2) – Sec. 2 (2.0) – Menanda Batu Sempadan. During field visit, sighted the estate’s boundary / land area are not connected to any smallholder’s land, government reserve land nor villages.

There are insufficient records to evidence on why there was no action taken on the missing boundary marker after annual census exercises. Documents verification there is fifty five (55) boundaries stones in FGVP(M) Setiu 1 Estate. Based on boundary stones census which conducted in June and July 2018, it was known that there was 9 of 55 boundary stones in FGVP(M) Setiu 1 Estate are lost. Action plan as follow up on this matter is not available **Based on that explanation, raised the Non-Conformance No 2018.02 with Minor category**

2.2.3; 2.2.4; 2.2.5 & 2.2.6

Based on document verification and interview with surrounding communities representative from kampong Besut, there are no land disputes during last year. No communities nor individual has any implications for the legal status of their land or have been disputes since FGV has legal land titles that leased by the Terengganu state government for 60 years. The presence of security force ensures a safe and harmonized environment at all time. FGVP(M) has had procedure for conflict solution which stated that the resolution involve the stakeholder.

2.2.1

Status: the Non-Conformance No 2018.02 with Minor category

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.

2.3.1; 2.3.2; 2.3.3; 2.3.4

There was no occurred the compensation regarding the land ownership and/or customer rights issues, but the company (FGVP) has procedure for compensation calculating (ML-1A/L2-PR12(0) Issued March 2012. In the procedure mentioned that the resolution will be processed with the involved parties regarding the issues raised and based the negotiation the compensation will be given in accordance with the calculating of compensation and all of negotiation will be involved the government agency such as Pejabat Tanah dan Jabatan Kemajuan Orang Asli (or the land government agency and the origin communities government agency).

All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arised. Records are available to show that the land leases comply with legal requirements. No communities nor individual has any implications for the legal status of their land or have been disputes since FGV has legal land titles that leased by the Terengganu state government for 60 years.

During field visit, sighted the estate not adjourn with any smallholder’s plantations, government reserve, villages nor with government reserve forest. There is no evidence collected during this audit period for any legal, customary or user rights.

Status: Comply

PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

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

3.1.1

Long term management plan for Setiu Estate has prepared by Assistant, issued by Estate Manager and presented in Setiu Estate Budget for 2018 to 2022. The budget has covers production cost, fresh fruit bunch (FFB) projection and FFB price which referred to Malaysian Palm Oil Board (MPOB). For example, FFB price and annual yield in 2019 to 2021 were about RM 550/ton (16.67 ton/ha), RM 500/ton (17.61 ton/ha) and RM 500/ton (17.07 ton/ha), respectively. Furthermore, long term management plan for Chalok Mill has prepared by Assistant, issued by Mill Manager and presented in Chalok Mill Budget for Period 2018 to 2022. The budget has covers production cost, volume of FFB processed, crude palm oil (CPO) and Palm kernel (PK) produced, extraction rate, product quality, CPO and PK price, maintenance, etc. For example, FFB processed and OER in 2018 to 2020 were about 192,010 ton (20.20 %); 197,430 ton (20.52 %) and 187,200 ton (20.61 %), respectively. Mill

and Estate Management mentioned long term projections were subjected to be changed and reviewed annually by Estate or Mill Manager, through considering actual trends and dynamic situation which predicted could be changed in the future. Furthermore, it was stated that there no plan for expansion on estate operational areas and mill processing capacity. Moreover, since there is no presence of peat soils in Setiu 1 Estate, peat management plan such as study on flooding, drainability and water management are not applicable.

3.1.2

Based on area statement, oil palms in Setiu 1 Estate was planted in 1989 to 2018. Estate management shows replanting program for period 2018 to 2023, issued by Manager of Felda Global Ventures Plantations (Malaysia) Sdn. Bhd. the program informed that replanting will be carried out in 2018, 2019 and 2013 for about 409.73 ha, 194.82 ha and 116.15 ha, respectively. In 2018, it was known that replanting for 189.42 ha and 220.31 ha has conducted in Field PM97B/PR18R and PM99C/PR18S, respectively. Currently, land clearing has fully completed while planting was still ongoing. Based on field observation on replanting areas in Field 18R Block 11, it was found that replanting were conducted on 100% mineral soils through mechanical method (zero burning). Land clearing through burning method were never been issued by stakeholders such as local communities, NGO, Government Agencies, etc.

Status: Comply

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

Procedures (SOP) of oil palm Agronomy was presented in Sustainable Estate Manual, issued in June 1st 2012 by Senior Vice President R&D, General Manager R&D (Plant and Health), Editor and Coordinator. It were divided into five documents, e.g. No. MLSL (Ed. 2) Vol. I – Sec. 1 (1.0 – 20.0) about management on nursery; No. MLSL (Ed. 2) Vol. I – Sec. 2 (1.0 – 20.0) about replanting; No. MLSL (Ed. 2) Vol. I – Sec. 3 (1.0 – 11.0) about immature palm management; No. MLSL (Ed. 2) Vol. I – Sec. 4 (1.0 – 12.0) about mature palm management; and No. MLSL (Ed. 2) Vol. I – Sec.5 (1.0 – 8.0) about oil palm manuring. The SOP has covers all agronomy aspects such as land preparation, nursery, planting, field upkeep, weeds control, integrated pest management, harvesting management, soil fertility enhancement (manuring, by-products application). Based on field observation and interview with Harvesters in Field 10L Block 35; with pesticide Applicators in Field 10K Block 01; and fertilizer Applicators in Field 11M Block 06, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as standard of ripeness, PPE to be used, considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed (for example conservation area and riparian zone).

Furthermore, procedure of oil palm processing was presented in Mill Operation Manual dated January 2nd 2001 (Revised on February 19th 2016). Procedure has covers more than 139 activities (Code: FPI/L3/1-01 to FPI/L3/16-01), from FFB acceptance to product (CPO and PK) dispatch. Based on field observation and interview with FFB Grader in Sortation Station, Loading Ramp Station, Processing Stations (Sterilizer, Press, Oil Room), Power Station (Engine Room), Boiler Station and Biogas Plant Station in Chalok Mill, it could be concluded that all technical processing activities as well as safety aspect, has implemented in accordance with the procedures.

Procedure of safe working practices towards pesticide application is presented in several documents, i.e. No. FPI-PK-001 to FPI-PK-074 dated February 7th 2013 about procedure of occupational safety and health, which covers safety on each processing stations, general safety, safety riding (motorcycle and vehicle use), etc; No. QOHSE 01 – 07 dated August 4th 2017 which covers safety on operational and laboratory; No. MLSL (Ed. 2) Vol. I – Sec. 4 (12.0); safety data sheet of agrochemicals; and hazard identification risk assessment determining control (HIRADC). According to field observation to estate and mill, as well as interview with the respective workers, it could be concluded that in general the workers has understood the basic of safe working practices such as using a set of personal protection equipment (PPE), meaning of risk symbols, agrochemicals and hazardous materials handling, etc.

4.1.2

Update and distribution of SOP were conducted by Felda Global Ventures Plantations Malaysia (FGVP(M)), Felda Techno Plant Malaysia (FTPM), Felda Agriculture Services, Sdn. Bhd. (FASSB), Crop Protectionist, Plant Breeder, Agronomist, RSPO Coordinator and OSHA Coordinator. For monitoring of procedure consistency purposes, some mechanism had been

conducted by Mill and Estates which presented in several documents, such as Chalok Mill Advisory Findings and Recommendations dated February 2018, Productivity and Quality Meeting dated May 23rd 2018 and Plantation Advisor report dated April 12th 2018. For example, key issues in Mill Advisory report was stressed to maintenance on Sterilizer, Digester and Boiler Stations.

4.1.3

Estate and Mill management operational activities has monitored, documented and regularly reported, for region work order record which compile all related contractor works and its cost, actual budget record which informed cost of actual programme implementation (RM/ha), daily harvesting Foreman notes which informed harvester name, location, tonnage of FFB harvested, etc, and daily work plan or master chit which informed type of works, location and other remarks. The records or report has informed raw data, analysis and mentioned summary notes. Estate and Mill operational records were saved on program namely “Estate-Rangkaian Maklumat Ladang” (eRML or Estate Information Connection) and “Sistem Komputer Berintegras” (SKB or Integrated Computer System), respectively. Both programme were used and updated on daily basis. All critical parameter points describes were need to be response and follow up by the respective person in charge (PIC) through action plan immediately. Progress of action plan were reported and submitted directly to the upper ordinate. Later on, each (priority) points were discussed, analyzed and presented in daily and monthly meeting by Manager. For example, according to logbook of monthly meeting minutes in Chalok Mill dated July 17th 2017 it was noted that there were three issues being discussed, related to machinery maintenance. Action plan and PIC for every issues were available.

4.1.4

Procedure of third party FFB sources is presented in document No. FGV/FGVP(M)/II/QOSHE/15/012.1 dated April 1st 2016 (Revised in May 31st 2017). Procedure has covers scope, definition, reference, responsibility, activities, supplier information and requirements, purchasing, license, FFB grading, assessment, FFB quality, meeting, recording and procedure chart for request. All suppliers shall be clear on hectarage, location, yield, year of planting, planting material, projection of FFB and OER, managing agent, land ownership and current buyer.

List of FFB third party suppliers for Chalok Mill was available. According to the list, it was informed totaling 46 third party FFB suppliers which consist of 6 Felda companies, 5 Felda Techno Plant, Sdn. Bhd. (FTPSB) companies, 2 Cooperatives, and the rest were private companies and/or smallholders. Mill management unit was able to shows daily and summary records of FFB volume received from those suppliers above during 2017 and 2018. For example, total FFB delivered from FTPSB Selasih and Felda Tenang Besut during January to April 2018 were 21,440.05 ton and 436,848.21 ton, respectively.

Status: Comply

4.2

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

4.2.1

Procedure of soil fertility management was presented in several documents, such as Document No. MSL (Ed. 2) Vol. 1 – Sec.5 (1.0 – 8.0) about oil palm manuring (chemical fertilizer); No. MSL (Ed. 2) Vol. 1 – Sec.3 (3.0 – 4.0) about EFB application and Felda mulching; Agronomist Recommendation for EFB application in mature areas; and Procedure of Leaf and Soil sampling (Manual for Staff). Based on field observation, it was found several strategy had implemented which aims to enhance soil fertility such as Manuring, for example as seen in Field 11M Block 06 Setiu 1 Estate; EFB application as recorded in Field 14Q Block 31, with dosage of EFB applied was 40 ton/ha/year; and Planting of legume cover crop (LCC) such as *Mucuna bracteata* and maintaining soft grasses on immature and terraces areas as seen on 2018 replanting area in Field 18R Block 11 Setiu 1 Estate.

4.2.2

Estate management unit was able to shows fertilizer application records, for example in Field PR18R with where covers area for 251.39 ha with planting density 136 palm/ha, fertilizer which had applied for palms during January to June 2018 were Egyptian RP and NPK 9/9/12/4 + B for about 17.10 ton and 76.90 ton, respectively. According to the record, it was informed that up to July 2017, fertilizer application has in accordance with schedule given by FASSB. Unit management mentioned that training to fertilizer Applicators was given by Assistant and Foreman through muster morning. Object of training are fertilizer placement and dosage, time of application, PPE used and areas which prohibited to be manured such as riparian zone and conservation areas.

4.2.3

Procedure of Leaf and Soil sampling (Manual for Staff) is presented in document No. MLSL (D.2) – Sec 5 (4.0) which consist of oil palm manuring on mature area method, quality, suitability implementation, environmental, safety and reference. The procedure also mentioned that leaf and soil analysis were conducted annually to be used as a basis of annual manuring recommendation calculation. Both analysis were carried out annually by FASSB. Leaf analysis results for 2018 manuring recommendation for was presented in document with Lab Code No. FRF20180237 through email dated July 3rd 2017. Leaf analysis included dry matters percentage of nutrients on the leaf and rachis (N, P, K, Ca, Mg and B). Furthermore, results of soil analysis was presented in document with Lab Code No. FRF20170239 dated February 16th 2016. Soil analysis included pH, soil nutrient status and nutrients exchange cation capacity. Apart from leaf and soil sampling analysis, nutrient status of palms has also accessed through visual assessment of palm vigour and field condition by Agronomy and President Group task force.

4.2.4

Apart from chemical fertilizer application, organic fertilizer through by-product application towards EFB mulching has also conducted to enhance K (potassium) content, organic matters and keep soil moisture. Dosage recommended by Agronomist were 20 and 40 ton EFB/ha/year for immature and mature area, respectively. EFB mulching in immature and mature areas were applied on palm circle; and inter-palms and/or inter-rows, respectively. This is confirmed during field observation to Field 14Q Block 31. Based on the record, it was informed that during 2018, the EFB had applied for 10.31 ton in Field PK18R on June 25th 2018 and 6.97 ton in the same Field on July 1st 2018. Furthermore, nutrient cycle has also conducted through planting of legume cover crop such as *Mucuna bracteata* on replanting areas. Nutrient N from *Mucuna* would be released after palm canopy has fully covered. This is conformed during field observation to Field 14Q Block 31.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

Estate management shows soil type map which informed that soil type in Setiu 1 Estate was consist of 24 soil types. However, basic information of map such as legend, scale and suitability class which informed limitation on each type were not available. Hence information on marginal and fragile soil areas are not available. **Based on that explanation, raised the Non-Conformance No 2018.03 with Major category**

4.3.2

Based on contour map review, it could be concluded that slope condition in Setiu 1 Estate was dominantly hilly, followed by rolling to undulating. Estate management mentioned that area with slope more than 25° were not cultivated and left as protected area, as confirmed during observation to Field 14Q Block 31. Meanwhile for rolling to hilly areas, estate management has adopting terraces planting pattern technique which aims for soil and water conservation purposes.

4.3.3

Program of road maintenance is presented in annual budget document of “Road Maintenance Period 2018”. Activities included are grading, compaction and patching. Those activities was conducted by Local Contractor namely Yusri Permai Enterprise. Progress has been updated every month. Based on field observation to Setiu 1 Estate, it could be concluded that road conditions were considered satisfactory and easily passable for fruits extraction.

4.3.4 and 4.3.5

Based on information from estate management, verification on soil map and field observation, it could be concluded that there were no presence of peat soils within Setiu 1 Estate operational areas. Hence, these Indicator is not applicable.

4.3.6

Based on field observation, it could be concluded that several strategy which already implemented by estate management to overcome soil limitation associated with very low fertility, lowlying and rolling areas is presented as follows:

- To suppress surface run-off and leaching through parallel to the contour line pruned fronds placement on rolling to hilly contour areas.
- Selective weeding which aims to enhance organic matter and retaining soil moisture.
- Soil texture and nutrient recovery through by-products EFB mulching.

- Manuring management through leaf and soil nutrient analysis, which recommended by Agronomist from Felda Agricultural Services team towards nutrient balance calculation method, maximizing fertilizer use efficiency (to choose suitable fertilizers type, time of application and placement).

For soil and water conservation, planting of land cover crop such as *Mucuna bracteata* has already implemented on immature areas.

4.3.1 Status: the Non-Conformance No 2018.03 with Major category

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

4.4.1

Water management plan for both estate and mill are listed on pelan pengurusan air documents. Water source that identified on Setiu estate area are Palung riparian. As a renewability of water sources company also creating silt pit on estate. Field visit during audit on Palung riparian found that riparian buffer zone has been marked based on Polisi Perlindungan Tanah Curam dan Rezab Sungai 2014.

4.4.2

Water course has been identified and mapped out in 1:35000 scale. Based on identification, company have determine Palung riparian as riparian buffer zone. Based on the results of field visits on Palung riparian (setiu estate) shown that there was no indication of chemical application along the riparian. The company has marked the riparian border and there is a sign board of HCV areas identity, protected species and restrictions of undermine the HCV area.

4.4.3

Effluent produced by the mill is managed on Waste Water Treatment Plant (WWTP) before it is discharged to water course. Documents review showed that the effluent quality monitoring is conducted regularly every month. Waste water testing result for March-May 2018 showed that all the test parameters are met the quality standards ("syarat lesen premis minyak kelapa sawit" no lesen 004049 tarikh 20 jun 2018, tempoh lesen 1 July 2018 hingga 30 juni 2019). For examples BOD on April are 31 mg/l and on April 2018 are 30 mg/l. Field visit on chalok POM shown there is no leakage indications and these areas are managed well.

4.4.4

Water usage monitoring was done periodically and recorded, for example on June 2018 FFB processed 10,570 mt, and process water usage 12,610 m³, and water usage efficacy was 1.19 m³/mt FFB processed. Observations on Chalok POM water treatment plant found monitoring for raw and process water usage was done periodically, and flowmeters at inlet/outlet serves normally. Monthly monitoring observed and reported into Monthly Engineering Department Progress Report. Standards of water usage for FFB process recorded on 2018 budget projected 1.3 m³/mt FFB processed.

Status: Comply

4.5

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

4.5.1

Estate management units has committed to adopting integrated pest management (IPM) which presented in procedure No. MLSL (Ed. 2) Vol. 1 – Sec. 3 and No. MLSL (Ed. 2) Vol. 1 – Sec. 4, for IPM in immature and mature palm management, respectively. Estate program for IPM were consist of census of pest (rat, leaf eating caterpillar and *Ganoderma*), biology control application (planting of beneficial plants, pheromone trap and census and monitoring of barn owl population) and IPM training. Realization of IPM program is presented as follows:

- Census of leaf eating caterpillar in Field PM14Q Block 29 dated June 28th 2018 shows the incidence attack was 3 %. Hence, there is no recommendation of pesticide on these particular area. Estate management explained that threshold limit for caterpillar incidence was minimum on 5 %, as mentioned in the SOP. Census was recorded in Form No. FAS-RSPO L1/K4.5/4.5.2.
- Adopting *Tyto alba* through barn owl box (BOB) installation for rat population control as seen on Field 10K Block 03. It was projected one BOB is able to covers 20 ha area.
- In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoicus*, *Boreiva*

alata and *Mikania micranta*, the use Ken Glyphosate (Isoprophyl Amine Glyphosate) could be substitute with Basta 15 (Ammonium Glufosinat) or Garlon 250 (Triclophyr Butoksi Ester).

4.5.2

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

- Training on chemicals handling dated November 22nd 2017, attended by 36 workers.
- Training of rat baiting dated May 28th 2018, attended by 8 workers.
- Scheduled waste and 3 rinsed training dated July 15th 2018, attended by 7 workers.

Based on field observation and interview with Foreman and pesticide applicators in Field 10K Block 01, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed, for example HCV area and riparian zone, as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that there is no women applicators.

Status: Comply

4.6

Pesticides are used in ways that do not endanger health or the environment

4.6.1

Procedure No. MSL (Ed. 2) Vol. I – Sec. 3 and No. MSL (Ed. 2) Vol. I – Sec. 4 has mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than economic threshold level (ETL). According to observation to agrochemicals warehouse and record of pesticide application, list of pesticide used by Setui 1 Estate was available. According to the Table above it could be concluded that all pesticide used were listed on Approved List of Pesticides Registered for Oil Palm (wef April 2007) “this is to inform that the latest list of pesticides for use in oil palm (food act 1983) is enclosed herewith, Members are advised to use only pesticides which were approved by the Pesticides. Unit management stated that justification of pesticide uses shall be based on census analysis.

4.6.2

Record of pesticide used is presented in document of pesticide uses record and monthly manager report. Records of pesticide uses recapitulation from January to April 2018 was available. For example, consumption of Basta (Ammonium Glufosinat 13.50 %) were 0.0845 litre a.i./ha or 0.0078 litre a.i./ton FFB. The LD-50 data was provided on the safety data sheet (SDS) which was available on the chemical store. According to the Table above, it could be concluded that estate management has monitor and records the use of pesticides satisfactory.

4.6.3

Estate management unit has program to minimize the use of pesticides, as follows:

- Has only use pesticide when census analysis were above its economic threshold level.
- Apart from agrochemical application, adopting biological method for pest population control were also conducted, such as adopting *Tyto alba* through barn owl box (BOB) installation for rat population control as seen on Field 10K Block 03. It was projected one BOB is able to covers 20 ha area; adopting beneficial plants such as *Turnera subulata*, *Cassia cobanensis* and *Antigonon leptopus* for leaf eating caterpillar population control. As observed on the field, the plants were mostly planted on the edge of collection and main road; and adopting pheromone trap on replanting areas for *Oryctes rhinoceros* or rhino beetle, as observed in Field 18R Block 11.
- In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control, the use Ken Glyphosate (Isoprophyl Amine Glyphosate) could be substitute with Basta 15 (Ammonium Glufosinat) or Garlon 250 (Triclophyr Butoksi Ester).

There is no prophylactic use of pesticide in Setui 1 Estate. In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use Ken Glyphosate (Isoprophyl Amine Glyphosate) could be substitute with Basta 15 (Ammonium Glufosinat) or Garlon 250 (Triclophyr Butoksi Ester).

4.6.4

Based on pesticide used records in 2018 which presented in Indicator 4.6.1 and 4.6.2, and observation to pesticide Store located on Setiu 1 Estate Office, it could be concluded that there is no pesticides listed in WHO Appendix 1A, 1B and/or listed in Stockholm or Rotterdam Convention as well as paraquat. Moreover, all pesticides used by those Estates were listed on Provision of Pesticides Act 1994 and USECHH 2000. However in 2017 backward, there were uses of paraquat, which all had eliminated in 2018 (zero paraquat). According to observation and pesticide record review, it could be concluded that the record provided was match with the actual pesticide stored

4.6.5

Hazardous chemical handling procedure observed in Safety, Health and Environmental Manual section 19. Estate management unit has conducting several trainings which aims to maintain workers knowledge and skills towards IPM, for example training on chemicals handling dated November 22nd 2017, attended by 36 workers; and training of rat baiting dated May 28th 2018, attended by 8 workers. Based on field observation and interview with Foreman and pesticide applicators in Field 10K Block 01, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example HCV area and riparian zone, as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that there is no women applicators.

4.6.6

Procedure of agrochemical management was presented in document No. FGVP(M)/L3/PK-04 dated April 1st 2014. SOP has covers scope of management, definition, technical procedure of chemicals acceptance, moving, storage, delivery and distribution, transportation to the field, safety uses (before, during and after application), mixing, powder pesticide, emergency action, recording management control and disposal. Based on observation to agrochemical store in Setiu 1 Estate Office, it was found that pesticides were stored properly by adopting first in first out method, grouped into toxicity category, limited accessed and labelled in accordance with its hazardous properties. Furthermore, based on observation to housing areas, it could be concluded that used pesticide containers were not used for domestic household purposes.

4.6.7

Work instruction on pesticide application has follows technique presented in Safety Data Sheet (SDS) of pesticide products, Hazard Identification Risk Assessment Determining Control (HIRADC) and procedure No. FGVP(M)/L3/PK-04 dated April 1st 2014 about agrochemical management procedure has covers scope of management, definition, technical procedure of chemicals acceptance, moving, storage, delivery and distribution, transportation to the field, safety uses (before, during and after application), mixing, powder pesticide, emergency action, recording management control and disposal. The Company has conducting several trainings which aims to maintain workers knowledge and skills towards safe pesticide application, for example training on chemicals handling dated November 22nd 2017, attended by 36 workers; and scheduled waste and 3 rinsed training dated July 15th 2018, attended by 7 workers.

Based on field observation and interview with Foreman and pesticide Applicators in Field 10K Block 01, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with white-blue poles) as well as PPE's to be used and its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals. Furthermore, based on field observation to Pesticides Warehouse in Setiu 1 Estate Office, it was found that all MSDS were available and match with pesticide stocks, symbols of risk and hazardous level, instruction and PPE used were displayed properly. Furthermore there are Pre mixing area as pesticide mixing and PPE's place in both estates. Moreover, observation to housing complex shows that there was no use of discarded pesticide containers and other agrochemicals for domestic household purposes.

4.6.8

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

4.6.9

Estate has conducting several continual training of pesticide handling and application, which aims to maintain workers knowledge and skills, for example training on chemicals handling dated November 22nd 2017, attended by 36 workers; and scheduled waste and 3 rinsed training dated July 15th 2018, attended by 7 workers.

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

Based on interview with pesticide applicators in Field 10K Block 01, it could be concluded that the workers were able to explain and demonstrate pesticide handling technique such as storage of used containers on the Scheduled Waste Store, can't be reused for domestic purposes, PPE to be used, emergency action of pesticide incidence and cholinesterase testing which conducted once a year.

4.6.10

Procedure of agrochemical management was presented in document No. FGVP(M)/L3/PK-04 dated April 1st 2014. SOP has covers scope of management, definition, technical procedure of chemicals acceptance, moving, storage, delivery and distribution, transportation to the field, safety uses (before, during and after application), mixing, powder pesticide, emergency action, recording management control and disposal. Based on interview with officer on agrochemical warehouse and hazardous waste warehouse in Setiu 1 Estate, the interviewee mentioned that all used pesticide containers were three times rinsed/washed, holed and labelled before stored in the hazardous waste warehouse. Later on those used pesticide containers were transported by licensed buyer on hazardous waste collector, namely RD Papers, Sdn. Bhd. (Department of Environment Ref. No. AS(B):91/110/619/013 (30) dated February 9th 2017). The amount and type of waste discarded has recorded on the balance report. Furthermore, based on interview with pesticide applicators in in Field 10K Block 01, it could be concluded that the workers were able to explain and demonstrate pesticide handling technique such as storage of used containers on the Scheduled Waste Store and can't be reused for domestic purposes. Moreover, based on observation to central employees housing area, it could be concluded that there were no used pesticide containers which reused for domestic purposes. All used containers were send and stored on the schedule waste Store. The record of used pesticide containers balance was available.

4.6.11

Medical surveillance for pesticide applicators is conducted annually. The latest medical checkup was conducted by Clinic Ihsan Family and Grobbles Pathology, Sdn. Bhd. 149031-W. Latest cholinesterase has conducted in October 2017. Results for 33 pesticide applicators were available. From total 33 pesticide applicators tested, it could be concluded that all workers condition were fit to works with agrochemicals or indicated as normal. Based on interview with pesticide applicators in Field 10K Block 01, it was stated that cholinesterase testing has conducted regularly once a year.

4.6.12

According to the list of pesticide applicators, it was known that there is no female applicators. However, the company has policy which mentioned that pregnant and breastfeeding women is prohibited to works related to agrochemicals (included pesticide).

Status: Comply

4.7

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

4.7.1

Policy on safety is presented in document of "*Dasar Kualiti, Keselamatan Kesihatan Pekerja dan Alam Sekitar*" of Basic Quality, Occupational Health and Safety and Environment, issued by Group President CEO on April 1st 2016 (Revised on February 1st 2017). The policy mentioned that the company has committed to delivering value to our stakeholders by operating in a sustainable and environmentally manner. This providing a safe and healthy work environment and balancing business objectives with environmental interest. In line with FGV to comply with all relevant Health, Safety and Environment (HSE) laws and regulations; to manage HSE risk and allocate resources to eliminate incidents, accidents, occupational poisonings, environmental impact, pollution and work-related illnesses; to inculcate HSE awareness among all employees and interested parties and cultivate an HSE-centric culture; to enjoin customers, business partners and third party providers of goods and services to support HSE objectives and programs, as well as to adopt continual improvement measures to align FGV's HSE standards towards global best-practices. The policy has written in Bahasa. Based on observation to Setiu 1 Estate and Chalok

Mill, it was found that safety policy has displayed on the Stations and policy stations. Furthermore, workers in Setiu 1 Estate and Chalok Mill mentioned that the management has deliver socialization towards safety working practices through training, safety briefing and safety meeting during daily morning muster.

Mill management shows OSH program or working plan 2018 which consist of 18 main program, such as training on personal protective equipment (PPE), training on CPO spill, effluent contamination, chemicals management, meeting, etc. Furthermore, OSH program for Setiu 1 Estate 2018 has consist of 5 main objectives, such as incidence evaluation, zero accident target, training, medical surveillance, emergency training and PPE distribution.

To verify OSH implementation, estate and mill management has conducting daily inspection and safety briefing during morning muster. Several evidence towards OSH program is presented as follows:

- Hazard identification, risk assessment and risk control (HIRARC) for Mill which presented in Form No. FPI/L4/QOHSE-1.4 Pind.2 dated February 16th 2018 and for Estate dated May 20th 2018.
- Quarterly OSH Committee meeting dated February 12th 2018 and May 3rd 2018.
- Training fire drill in Chalok Mill has conducted in April 2nd 2018, attended by 14 workers.
- Campaign megastool box and safety talk had conducted in April 30th 2018.
- Mill management has conducting Audiometric test for workers who works on area more than 85 dB. Follow up on this matters such as medical surveillance, record, evaluation etc. were available on site. Hence, mill management is encourage to make sure that follow up towards audiometric test result has carried out as scheduled. **Observation.**

4.7.2

Hazard identification, risk assessment and risk control (HIRARC) for Mill which presented in Form No. FPI/L4/QOHSE-1.4 Pind.2 dated February 16th 2018 and for Estate dated May 20th 2018. This document has describes step of work/job, hazards identification, effect of hazard, existing control, type of control, probability, severity, risk assessment, and recommended risk control, implementation and checking. HIRARC in both estate and mill has covers all activities implemented. Based on interview with workers on the estate and mill, training towards safe working practices has conducted annually. Risk assessment has covers all technical matters as mentioned and describes in procedures for oil palm cultivation or sustainable estate manual and mill processing manual. Furthermore, it also mentioned that estate and mill management has deliver socialization towards safety working practices include HIRARC through safety briefing and safety meeting during daily morning muster.

4.7.3

The CH through OHS committee has provide safe working practices by providing socialization and training, for example as follows:

- Training fire drill in Chalok Mill has conducted in April 2nd 2018, attended by 14 workers.
- First aider training conducted in May 29th 2018, attended by 11 workers.
- Campaign megastool box and safety talk had conducted in April 30th 2018.
- Training on chemicals handling dated November 22nd 2017, attended by 36 workers.
- Scheduled waste and 3 rinsed training dated July 15th 2018, attended by 7 workers.

Based on observation and interview with Operators at FFB Grader in Sortation Station, Loading Ramp Station, Processing Stations (Sterilizer, Press, Oil Room), Power Station (Engine Room), Boiler Station and Biogas Plant Station in Chalok Mill (all local Malaysian), as well as 3 Fertilizer Applicators from Malaysia in Field 10L Block 35, 2 Harvesters from Indonesia in Field 11M Block 06 and 3 Pesticide Applicators (each from Malaysia, Indonesia and Bangladesh) in Field 10K Block 01, it could be concluded that all workers were able to explained and demonstrate technical work matters, in accordance with SOP, as well as safety aspects such as PPE usage, type of PPE and periodic medical checkup, as mentioned in HIRARC. The workers stated that all PPE were provided by Estate and Mill Management and easily replaced if damaged.

4.7.4

Mill management shows OSH Committee Structure for period 2018, which presented in Letter of Appointment No. 05 General QOHSE, issued by Mill Manager on January 1st 2018. There were 9 representatives from employer and 9 representatives from employee. OSH Committee member shows minutes on quarterly OSH Committee meeting which conducted on February

12th 2018 and May 3rd 2018. Furthermore, estate management shows in Letter No. (01)282-FGVP(M)-JKKP dated January 1st 2018. There were 7 representatives from employer and 7 representatives from employee. OSH Committee member shows minutes on quarterly OSH Committee meeting which conducted on May 23rd 2018. All foreign worker representative has attending the meeting.

4.7.5

Procedure on emergency response is presented in document No. FPI/L2/QOHSE-14.0, issued by the COE on November 28th 2016. Procedure has covers all major potential emergencies, such as, but not limited to chemical spillage, flood and fire. Chalok mill has record incidence in Form No. FPI/L4/QOHSE-15.1Pind1. Based on the record and interview with Operators at FFB Grader in Sortation Station, Loading Ramp Station, Processing Stations (Sterilizer, Press, Oil Room), Power Station (Engine Room), Boiler Station and Biogas Plant Station, it could be concluded that there were zero accident in Chalok Mill during 2017 to July 2018. Meanwhile in Setiu 1 Estate, there was only 1 (one) accident caused manday lost for 8 days which happened in January 2nd 2018.

Based on observation to Sterilizer Station, Boiler Station, Workshop and Engine Room in Chalok Mill, as well as Scheduled Waste Store and Pesticide Store in Setiu 1 Estate, it was found that all stations were equipped with fire extinguisher, important contact number and flowchart of emergency. Furthermore, based on interview with respective worker, it could be concluded that the worker was able to explain and demonstrate steps of precaution on incidence, such as first aid action to be taken, evacuation procedure, assembly point, spills handling and reporting.

The company has first aid officer as shows through certificate. Chalok Mill management was able to shows 13 certificates of first aider from Malaysian Red Crescent on February 8th 2018). Furthermore, Estate management was able to shows 3 certificates of first aider from Malaysian Red Crescent on February 8th 2018. All certificate were refers to occupational first aid and cardio pulmonary resuscitation (CPR) and will be valid until December 22nd 2020.

The company has provide first aid kit (permanent/portable) on the work place. According to the first aid kit monitoring record, it was known that Chalok Mill has provide 4 first aid kit located on the Office, Boiler Station, Workshop and Supervisor Room. Furthermore, Setiu 1 Estate has provide 13 portable first aid kit which brings by the Foreman and 6 permanent where located on the Office, Scheduled Waste and 4 in Fertilizer Store. Those first aid kit availability were confirmed during field observation to the estate and mill. Record of monitoring and usage of 16 first aid items were available.

4.7.6

According to list of Chalok Mill employee data June 2018, it was informed that all employees were local Malaysian which has covered by Social Security Organization (SOCSO). Evidence of payment could be checked through salary payment receipt. The company paid for 16% of the salary while employee has to pay 11 % from the salary. Furthermore, for foreign workers, estate management shows "Slip Pengesahan SKIM Pampasan Pekerja Asing (SPPA)" or foreign workers compensation scheme for all workers, for example as follows:

- SPPA Ref. No. JTK3961048 dated April 25th 2018, for 8 Indonesian workers through Etiqa General Takaful Berhad (1230197-A); Police Insurance No. W5027872, valid until March 29th 2019.
- SPPA Ref. No. JTK3755124 dated January 10th 2018, for 14 Bangladeshi workers through Etiqa General Takaful Berhad (; Police Insurance No. W5025862, valid until December 10th 2018.

Based on document review, it could be concluded that insurance for 38 Indonesians, 28 Indians, 164 Bangladeshi and 64 local Malaysians were available and valid until 2019.

4.7.7

There were zero accident in Chalok Mill during 2017 and 2018. Meanwhile in Setiu 1 Estate, there was 1 accident in 2017 caused 31 mandays lost which happened in November 29th 2017 and already reported to JKKP 6 on December 5th 2017. Moreover up to July in 2018, there was 1 accident in January 2nd 2018 which caused 8 mandays lost. Report of JKKP 6 to JKT has conducted in January 4th 2018. Auditor has interview several operators who works on high noise area, i.e. Station of Oil Room, Boiler and Engine Room. Based on interview with operators, it was known that Audiometric test was conducted annually. Those who identified with noise impairment will be followup through the next upcoming test and recommendation of reallocation to stations with noise level lesser than 85 dB.

	Status: Comply	
4.8 All staff, workers, smallholders and contractors are appropriately trained.		
4.8.1		
<p>The company has had a training program for workers included All staff, Workers and contract workers for period of 2018 which consists of understanding the RSPO, technical matters, PPE used, chemical managements, first aid kit training, etc. Recording and realization of training programs at are recorded properly. Result of field observation in Mill and Estate and interviews with personals, it is known that the personels has been given training abut their job. This was evidence that the personnels have understood their duties and responsibilities and also can demonstrate how to work correctly and appropriately in accordance with the procedures. For example, record of training is presented as follows:</p> <ul style="list-style-type: none"> • Training fire drill in Chalok Mill has conducted in April 2nd 2018, attended by 14 workers. • First aider training conducted in May 29th 2018, attended by 11 workers. • Campaign megastool box and safety talk had conducted in April 30th 2018. • Training on chemicals handling dated November 22nd 2017, attended by 36 workers. • Scheduled waste and 3 rinsed training dated July 15th 2018, attended by 7 workers. • The company has maintain training history for each employees. Meanwhile, training provided for contractor workers has only limited to safe working practices training and code of conduct. 		
4.8.2		
<p>Record of training for each employee is recorded in Form No. FGV/FGVP(M)/IV/IMS/15.5.2 PIND 0. For example, worker No. 850609-03-5811 which starts work as employees since July 1st 2010 has conduct several trainings as follows:</p> <ul style="list-style-type: none"> • Manuring and fertilizer calibration training on February 2nd 2016 (2 hours). • Basal pruning training on March 9th 2016 (3 hours). • Weeding calibration training on April 21st 2016 (2 hours). • ISO Awareness training on May 12th 2016 (2 hours). • Pest control and management training on November 14th 2016 (2 hours). • Salary/wages training on January 3rd 2017 (3 hours). • Estate management training on January 5th 2017 (5 hours). • Supervision training on January 9th 2017 (2 hours). 		
	Status:	
PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity		
5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.		
5.1.1		
<p>Chalok POM and Setiu Estate has developed Environmental Aspect and Impact Register for year 2018. Relevant processes covered in the aspect and impact assessment for examples : Black smoke emission on mill</p> <ul style="list-style-type: none"> • Spillage on mill and estate • Scheduled waste on mill and estate • Waste water treatment plant on mill • Used chemical container on mill and estate <p>company also have identified all enviromental impact for mill and estate activities that contibuting pollution for examples boiler activities, oil room, biogas plant, shceduled waste, replanting acitivities, and "tapak semaian".</p>		
5.1.2		
<p>Relevant management program developed for each identified significant aspect. Targeted completion date are listed in the management program. Management program developed for yearly basis. Responsible person identified for each action plan. Both estate and mill shown pelan pengurusan bagi mengurangkan impak alam sekitar and updated '<i>borang pengenalan aspek alam sekitar dan penilaian imepek</i>' include all the operation: form no FPI/L4/QOHSE – 1.7 pind 0 (for mill) and borang Pengenal</p>		

pastian apek dan penilaian impek no borang: FGV/FGVP(M)/IV/IMS/15/1.6 on 22.01.2018 (for estate) has described mitigation plan related to identified environmental impact.

5.1.3

Monitoring and measuring performed for management program are done based regular basis. Monitoring report for final discharge point, for examples BOD parameters and mill emission have been conducted regularly. All BOD results showed within permissible limit. Both estate and mill shown environmental management plan, that have been reviewed (last conducted on Dec 2017) referred to report of aspect impact through waste disposal for examples :

- Soil pollution – empty pesticide container – Action: collect the empty container and record in the collection storage – triple rinse and recorded.
- Recycle and reused the empty pesticide container to transport the pesticide into the estate

Status: Comply

5.2

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

5.2.1

HCV assessment are conducted on May 2018 by Felda PSD department. This HCV identification shown there is HCV 4 presence (covered 13.70 ha areas) that consist of pelung riparian and ima putih riparian, and steep area. Meanwhile there is no RTE found on Setiu estate/Chalok POM. HCV assessment performed with consultation with relevant stakeholder, considering biological record, all planted areas, etc.

5.2.2; 5.2.3; 5.2.4 and 5.2.5

Based on HCV identification report shown there is no RTE and set asides HCV presence on Chalok POM/Setiu estate. Interview with related workers during audit also confirmed there is no RTE existence on company operational areas. Workforce education related to HCV or wildlife species have been conducted on July 2018, attended by 12 participants. Monitoring for HCV areas are conducted every 3 month. Company are able to shown "rekod pemantauan hidupan liar dan kawasan sensitif" for examples periods 16/06/2018 found babi hutan on block 15 peringkat 17 Setiu estate and HCV areas all well maintained. Field visit on Setiu 1 estate central housing found there is no RTE spececies are reared/captured by workers, interview with related housing residents also indicates that workers are aware related to RTE species and company policy regarding RTE. Field visit on Setiu 1 estate central housing found there is no RTE spececies are reared/captured by workers, interview with related housing residents also indicates that workers are aware related to RTE species and company policy regarding RTE.

Status: Comply

5.3

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

5.3.1

Waste products and sources of pollution have been identified and documented in "pengenalpastian sumber dan jenis bahan buangan" document issued on 2018

Type of waste been identified for examples are :

- Estates, waste source : chemist activities, waste type : ex pesticides containers (toxic and hazardous waste)
- Mill, waste source : FFB process, waste type : shell and fiber (non toxic/hazardous waste)
- Estates, waste source : chemical activities, waste type : pesticides spillage and ex pesticides containers

Not all waste products and sources of pollution had been identified and documented.

Based on the document verification and observation at KKS Chalok, it was found that the items below were not identified as per Environmental Quality Act Scheduled Waste Regulation 2005:

- Spent Isopropanol Alcohol, and Hexane used in the laboratory
- Spent contaminated lubricant container and Chemical container found at the Schedule waste store area
- Availability of Spent Filters at Scheduled waste store has been not updated in inventor.

Based on that explanation, raised the Non-Conformance No 2018.04 with Major category

5.3.2 and 5.3.3

Inventory for all chemicals and its containers are available on chemical store and scheduled waste store. Auditors have been verified hazardous disposal for examples: the consignment note dated March 15 2018 to Rengkas Maju Sdn Bhd – licensed transporter based on *jabatan alam sekitar* lesen No 004654 tempoh lesen Mei 1 2017 - 30 April 2018.

- Waste oil Sw 305 – liquid in 0,2 mt
- Used oil hydrolic - in 0,017 mt

Based on document review and interview with management representative, shown all ex pesticide containers on estates are managed by 3 times washing in accordance with the MSDS, then stored in the pesticides optimalization store and regularly submitted to third party transporters (RD Papers SDN Bhd).

Observation during audits at scheduled waste store and chemical store shown that all of hazardous waste and hazardous material area managed well for examples: complete series of MSDS are available, and each store are equipped with bund. All settlements waste are not disposed using open fire, certificate holder are provides landfill for domestic waste management. Field observation on Setiu estates central housing, found that companies managed settlements/housing domestic waste by provide landfill. There is no evidence that domestic waste are disposed using open fire. As nutrient cycle, setiu estate applied EFB as mulching. Record for 2018 have been sighted for examples : for 1-17 July 2018, total EFB application are 6.97 mt

5.3.1	Status: the Non-Conformance No 2018.04 with Major category
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**5.4
Efficiency of fossil fuel use and the use of renewable energy is optimised.**

5.4.1

Setiu estate and Chalok POM has assess and estimated the direct energy use such as fuel usage by operational activities for 2018 periods. Company shown commitment to reducing fossil fuel by renewable energy usage. Fuel usage have been monitored per month and realization of fossil fuel usage during June 2018 are 9336 litre.

Average fuel usage and renewable energy usage to produced grid electricity during Jan - June 2018 are 77.48 KwH/mt CPO, meanwhile average fuel usage to produced FFB on Setiu estate for examples on June 2018 are 4.91 litre/mt FFB.

Notes : all of methane produced by POM are 100% used for flaring, therefore there is no electricity generated by biogas plant

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

5.5.1 and 5.5.2

Field visit during audit on Setiu estate and document review indicated there is no new planting/new development on Setiu estate. Company already have commitment and policy listed on "Polisi Larangan pembakaran terbuka" and Circular letter from FGVP(M) Sdbn BHD bil. (40) FGVP(M)/PSQM/SPO/HQ/01 on 24 July 2015 related "makluman larangan pembakaran terbuka di kawasan ladang dan kilang" to FELDA unit management.

Auditors also verified working agreement letter for examples FGVP(M)/349/2016 FGV/491/2016 (Pakej 06) and found that all land clearing activities were done by mechanical activities and contractors are required to obey FELDA OHS, Environmental, and Sustainable policy.

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

5.6.1 & 5.6.2

All waste including emissions and pollutions sources from Mill and estate are identified and recorded on "pengenal pastian sumber dan jenis bahan buangan" and aspect impact document.

Fossil fuel reducing have been implemented by fiber and shell usage. Waste water has been monitored every months and monitoring periods March-May 2018 sighted that all of waste water testing parameters is compliant to the standards quality.

To reduce pollution and emission, the company has identified the pollution sources and emissions and the management steps which are described in aspect impact management plan. In addition company also identified GHG sources included plan for reducing it.

5.6.3

Monitoring for emission and pollutants from mill (emission boiler and generator) was done periodically. 2nd Semester 2017 testing result indicates all parameters related to emission are still comply with standard quality. Meanwhile noise testing results are above 85 dBA. Hence, the company has provide PPE ear-plug on that particular areas. Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile LUC emission calculation is not applied due to there is no new development on Chalok POM and its supply base since November 2005
 Calculation of GHG and its monitoring has conducted by PSD. GHG emission calculated using RSPO palm GHG calculator v 3.0.1. Summary of GHG emmison forChalok POM are listed as follows :

Summary of Net GHG Emissions (Jan-Dec 2017)

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	1.05	OER	19.05	FFB Processed	126659.65
PK	1.05	KER	4.89	CPO Produced	38328.46

Land use

Land Use	ha
OP planted area	1891.40
OP Planted on peat	0.00
Conservation (forested)	0.00
Conservation (non-forested)	0.00

Summary of Field Emissions and Sinks

	Own Crop			Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions									
Land conversion	17098.62	7.14	0.66						9.88
*CO ₂ emissions from fertilizer	69.59	0.03	0						0.53
**N ₂ O emissions	155.45	0.06	0.01						0.4
Fuel consumption	73.73	0.03	0						0.02
Peat Oxidation			0						0
Sinks									
Crop sequestration	-16207.22	-6.76	-0.62						-9.36
Conservation Sequestration		0	0						0
Total	1190.17	0.5	0.05						1.47

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		

POME	5112.79	0.2
Fuel consumption	122.51	0
Grid Electricity Utilisation	112.57	
Credits		
Export of Grid Electricity	0	0
Sales of PK	0	0
Sales of EFB	0	0
Total	5347.87	0.21

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100.00 %
Divert to methane capture (flaring)	100 %
Divert to methane capture (electricity generation)	0.00 %

Notes : all of methane produced by POM are 100% used for flaring

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile LUC emission calculation is not applied due to there is no new development on Chalok POM and its supply base since November 2005.

Status: Comply

PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills

6.1

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

6.1.1

Social Impact Assessment was held on by Plantation Sustainability department from HQ. The assessment done by field interviews (group interviews and one-on-one interviews, consultation with the unit management, site observation and documentation review. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes. Sighted the negative impacts connected to a management plan that all falls within short term [resolve within a year], mid-term [resolve within 6-12 months] and long term [implementation within 2 years] However, seen the assessment not effectively assessed on wider scope to include issues such as potential social impact and management plan to :

- Replanting activity in Setiu
- Cattle intrusion on the field
- The presence of foreign workers from various countries and the impact to availability of housing.

Based on that explanation, raised the Non-Conformance No 2018.05 with Major category

6.1.2; 6.1.3

The initial SIA was done through interviews with workers based on task, union representative, gender committee, contractor & supplier, representatives from workers housing, consultation and interview process with government agencies. Sighted the checklist and questionnaire that used during the SIA process with the aspect issue are Social, economic and Enviromental, but the The estate also should give consideration on how the contractor workers has social impact on estate workers and its has been non conformity on 6.1.1 The action plan categorized into 4 as emergency [immediate attention], short term [resolve within a year], mid-term [resolve within 6-12 months] and long term [implementation within 2 years]. There were 15 positive and 9 negative comments documented in the SIA report. The negative comments seen incorporated in the action plan for 2018/2019.]. The mitigation plan seen identified with key responsible person, such as asst. manager.

6.1.4; 6.1.5

The evaluation of social impact management plan conducted ones a year, the last evaluation was March 2018. The certification scope for FGV Chalok complexes was not include the smallholders.

6.1.1

Status: the Non-Conformance No 2018.05 with Major category

6.2

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

6.2.1

FGVP has a Communication Procedure (ML-1A/L2-Pr12, 1 June 2016) which explain a system of communication with internal and external parties related to the environment around the area, hazards and risks in the workplace. In the policy also stated about the responsibilities of Manager and the responsibilities communicating with the head office and any other government bodies. Interviews with relevant stakeholders indicates they known how to communicate with companies based on company existing procedures.

6.2.2

Company has appointed person in charge of social which duty and responsibility is to update the list of stakeholders of any changes. List of stakeholders is updated when company have been contacted by relevant new stakeholders no listed on current list. The communication PIC is also responsible to top management for the implementation of the process of communication and consultation with stakeholders including the dissemination of the list of documents that can be accessed by stakeholders. Based on the appointment letter, the appointed person job description on overall internal/external communications inclusive of :

- Request of responses and feedback with external stakeholders
- Any grievances and discussion with external stakeholders.
- Informed the management regarding the activities with external stakeholders.
- Any related social issues internal and externally with other parties
- List stakeholder updating

6.2.3

There is no stakeholder's list changes for 2018 periods. The company shown the list of stakeholders updated in 2018 consisting of government agencies, universities, surrounding villages, and etc. Based on the interviews with the company, the stakeholders list is updated whenever there is a change. Record of communication from external stakeholder is also available at estate and mill in form of communication book. Document review for examples on Setiu estates communication book periods 2018 show there is 5 incoming letter from stakeholders, and have been responded by companies on time.

Status: Comply

6.3

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

6.3.1 & 6.3.2

The management unit Procedures of Complaint and Grievances Handling (Number: ML - 1A / L2 – Pr13, 1 June 2016). The procedure aim to resolve all complaints and grievances fairly and to maintain good relations between the company and other parties. The system had been developed to ensure the complaint and grievances has been resolved in time and appropriate manner. Internal report procedure is once the report has been logged in, the report will be discussed with the executive less than 7 days the date of report made → after executive report made will be transfer to the head of department → will be settled in 14 days → in management unit level → then report made to the company and parties (union) settled in 21 days. Company procedure did not mentioned literally that if the complaint has not being resolved, the complainer could brought the issue to the RSPO Complaints System. However, the procedure mentioned that the issue is possible to be delivered to the level of top management and the respective Ministry Department. Based on interview with PSD/CDD, the complainer could be directly brought the issue to the RSPO.

6.3.2

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

complain box in in Ladang Setiu 1 The management unit also prepared a report book related to any complain made by the workers and based on the document verification, most of the complaint and report are related to the repairing of broken houses.

Status: Comply

6.4

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

6.4.1; 6.4.2 & 6.4.3

A procedure available, [FGV/ML-1A/L2-PR13(0)]. History and documents of the development through HCV and stakeholder interview, revealed no evidence that there was a loss of legal or customary rights which would have led to a necessary, consequent compensation or that any compensational claims would be open and/or evident. All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arised. Records are available to show that the land leases comply with legal requirements. No communities nor individual has any implications for the legal status of their land or have been disputes since FGV has legal land titles that leased by the Terengganu state government for 60 years.

Status: Comply

6.5

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

6.5.1

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

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

6.5.2

The worker's contract valid on 2+1 years' basis, where either party can terminate the service. The JTK [Jabatan Tenaga Kerja] can terminate a service under 2 conditions, firstly if they fail the medical test and secondly any criminal misconduct during the employment period. The cost involved for their return bare by the company unless if the break by the employee then it should be agent's responsibility. During site visit to estate, interview with both local and foreign workers revealed no discrimination on overtime hours as well on wages received for overtime work done. This was also cross checked in their respective payslips and no discrepancies found. Interview held to foreign workers randomly and confirmed that the employment condition and payment has been communicated prior to contract signed (in the origin country), the company considered to maintain the records and documentation of employees interview process in the origin country

6.5.3, 6.5.4

The estate and mill provide facilities such as recreational places, religious building, community hall, sundry shop, food stall, electricity, and water. During site visit to line-site, interview both local and foreign workers whom claimed the management provides decent living quarters with proper drainage system, weekly domestic waste collection, attend to household repairs and free water supply for domestic consumption. Generally, the workers boiled the water before consuming and some are

purchasing bottled water for daily usage. The electricity deduction is based on the usage that the deduction scheme agreed by both parties in written form. School bus for children are provided without chargers. During the field visit to employee's housing complex at Setiu, it was observed the the housing complexes is up to the standard, Sighted 12 person in a hostel. Everybody has their own bed and locker. Housing area complete with electricity and clean water supply. Sighted also the bath room, 12 bathroom for 2 hostel. Proper disposal of domestic waste sighted at the hostel area, including the black bin.

The nearest township is Permaisuri and workers are allowed to purchase their needs during weekend rest. However, the sundry shop within the compound do provides the daily needs. Visit to the worker' quarters, evidenced the FGV management provided basic cooking utilities such as cooking gas, stove and a kitchen. Interview with workers resulted with satisfactory feedback and the housekeeping of worker's quarters well maintained.

Status: Comply

6.6

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

6.6.1 & 6.6.2

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

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

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Policy on age requirement is presented in document No. ML-1A/L1-Po5(0) about *“Polisi Pekerjaan Kanak-kanak”* of Child Labor Policy, issued by President and CEO of FGV on June 1st 2014. The policy mentioned that minimum age for FGV worker was minimum 18 years old. According to list of worker in Chalok Mill it could be concluded that there were no workers below 18 years old. The youngest was born in September 4th 1993 (25 year old). The same result also appointed to Setiu 1 Estate where the youngest worker was born in December 10th 1999 (19 years old).

Status: Comply

6.8

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

6.8.1

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

6.8.2 & 6.8.3

Company shown transparent worker grade promotion based on KPI assessment, for examples based on letter No FGVH/SAPrp/10 on February 7 2017 from human resources department stated that FGV holding has released and passed workers (name : suh**** bin sula****) became grade G60 since February 2017.

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

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

Status: Comply

**6.9
There is no harassment or abuse in the work place, and reproductive rights are protected.**

6.9.1 and 6.9.2

Policy of preventing sexual and all other forms of harassment and violence is presented in document No. ML-1A/L1-Po10(0) dated June 1st 2014 about “Polisi Gangguan Seksual, Keganasan Serta Hak Kebebasan Reproduksi” or policy of sexual harassment, violence and reproduction rights which issued by President and CEO of FGV. The policy has displayed on the office and information board. Based on interview with Gender Committee representative, it could be concluded that there is no issues associates with gender, sexual harassment, violence and reproductive rights in Setiu 1 Estate and Chalok Mill operational areas. Two days leave during menstruation period and specific break times is given to enable effective breastfeeding their baby. Overall, it was stated that working environment has considered satisfactory for women.

6.9.3

Procedure of complaint and/or grievance in associate with gender case/issues is presented in document No. FGV/ML-1A/L2-Pr14 dated June 1st 2016. Gender Committee will be involved on this kind of matters. Based on interview with Gender Committee representative, it could be concluded that there is no issues associates with gender, sexual harassment, violence and reproductive rights in Setiu 1 Estate and Chalok Mill operational areas. Two days leave during menstruation period and specific break times is given to enable effective breastfeeding their baby. Overall, it was stated that working environment has considered satisfactory for women.

Status: Comply

**6.10
Growers and mills deal fairly and transparently with smallholders and other local businesses.**

6.10.1

Mill management mentioned that FFB proce has determined by MPOB. Mill management shows daily FFB price issued by MPOB. There were two type of price, i.e. Type A for Felda and Type B for third party suppliers. For example, FFB price on June 20th 2018 for Type A and Type B were RM 23.00 (1 % from Kadar Perahan Grade). As shown in Receipt No. 459118 dated June 20th 2018, it could be concluded that FFB paid from supplier Kim Ma Sdn. Bhd. is suitable with MPOB price.

6.10.2

Mill management mentioned daily updated that FFB price form MPOB has displayed on the Weighbridge Station. This is confirmed during field observation. For example, record of FFB price in Chalok Mill dated July 15th to 17th informed that FFB price dated July 17th 2018 (time: 07:52:11) for Set A and Set B were RM 23.00 and RM 22.10, respectively.

6.10.3 and 6.10.4

Mill management mentioned that all contract agreement between FGV and third party supplier was provided by the FGV Head Quarter. Copy of agreement has also holds by the suppliers. Code of supplier will be given to be verified by Mill Management and could be checked through the system. Meanwhile, transaction payment has conducted directly by the Head Quarter Office, while for the FFB third party suppliers, payment voucher will be given directly. For example, payment voucher with Cheque No. 001140 for supplier namely Kim Ma Oil Palm, Sdn. Bhd. dated June 28th 2018 has informed payment of FFB delivered during June 2018 for about RM 96,081.17 through Maybank Islamic, issued by Mill Manager, Finance Officer and Assisstant. For example, supplier Kim Ma Oil Palm, Sdn. Bhd. with MPOB Lisence No. 506460315000 has Code No. 8668. This data also presented on the FFB acceptance ticket from Weighbridge Station. Based on interview with contractor, it was stated that there never been issues associated to time of payment. They feel satisfy with the payment as transparency on FFB price provided by the Mill.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Identification of local needs was conducted through a participative meeting which presented on a document of “Majlis Perjumpaan Bersama Pihak Berkepentingan/Stakeholders Anjuran Jawatan Kuasa Kerja Minyak Sawit Lestari Kompleks FELDA Wilayah Terengganu Kompleks FGVP(M) & FPISB Wilayah Kuantan”. The meeting was conducted in the Civic Room of Felda Chalok Barat on July 9th 2018. Several realizations of community programs in 2018 are presented as follows, for example:

- Chalok Mill and Setiu 1 Estate has opened an opportunity for the local people to work in the company.
- Education scheme for 26 children (10 male and 16 female) from 14 employees which also local people on January 2018, totaling for about RM 3,100.
- Education scheme on December 2017 totaling for about RM 6,700.
- Unit Bus for student transportation for school special activity on July 5th to 7th 2018.

6.11.2

The company has no smallholders' scheme.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.3

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

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

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

6.12.2

Based on interviews with worker and document verifications obtained information if foreign workers has had a direct work agreement with the company. The worker's contract valid on 2+1 years' basis, where either party can terminate the service. The JTK [Jabatan Tenaga Kerja] can terminate a service under 2 conditions, firstly if they fail the medical test and secondly any criminal misconduct during the employment period. The cost involved for their return bare by the company unless if the break by the employee then it should be agent's responsibility. The same thing is also demonstrated in contract employee. The employment contract is in a language under stable, written in Bahasa, English, Hindi or Bangladesh and the copies are available for both parties, (the workers and company). Based on the interview with employees is known that the employee has had a copy of the work agreement and has understood the agreement. Interview held to foreign workers randomly and confirmed that the employment condition and payment has been communicated prior to contract signed (in the origin country), the company considered to maintain the records and documentation of employees interview process in the origin country

Interview with workers and management obtained information if the passport are kept by the worker. Based on the interview, there is no contract substitution occurred and the workers are only sign the agreement once they reached at the respected estate only. Foreign workers interviewed did not report of any incidences of trafficking or false information from recruiting

agents in order to recruit them. Workers confirmed that the office also returns passports of workers immediately in the event of emergencies. While some foreign workers are agreeable with the company retaining their passports for security purposes, From sample workers contracts and interviews, there was/was no evidence of contract substitution found.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

There has an evidence Policy of Foreign Worker Requirement (approved by President & CEO FGV, dated 01 June 2014). The procedure was explained of basic salary based on Minimum Wage in Malaysia and the early training for the workers in related to language, Health & Safety, Labor requirement and culture sensitive. FGV has have Policy of Human Right (approved by President & CEO FGV, dated 01 June 2014). These document as FGV commitment to consent for support and protect of human right as a corporate responsibility. The manager and assistant manager have the task to communicate to all the workers and external party in each of their unit management.

Thast policy has been socialized on 09 July 2018 for Setiu Estate and 20 May for Chalok Palm Oil Mil. Stakeholders meeting had been done on May 2018 at Setiu estate and Chalok POM that involve all parties related to the FGV operation. Based on the interview and field visit made, the external stakeholders are also understand the policy and code of ethical conduct of FGV where is no present should be given for any occasion. Sighted in the office, the banner of no present policy at FGVP(M) management unit. FGVP(M) will also involve with the effort of supporting the human rights amongst their own staff and workers are also take part in various activities to support corporate social responsibilities to respect human rights. Sighted the human right policy had been displayed a muster roll call, office and at the Hostel area. The workers are concern regarding the policy available at the estate and mill. The policy has been communicated to the workers during the roll-call and displaying in the notice board in estates/mill office and housing. During 2017 and 2018 until June have never been any violations of human rights in the Chalok POM and its supply bases. From all workers interviewed there were no issues raised pertaining to infringement of human rights.

6.13.2

Not applicable, since the audit held in Semenanjung Malaysia.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting

Status: Comply

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.

No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting

Status: Comply

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.

There is no new development since November 2005 for all operations in Ladang Setiu 1. Felda Global Ventures Holding berhadhs have submitted disclosure liability and LUCAs to RSPO on 2015 and listed on RSPO website.

Status: Comply

7.4	
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	Status: Comply
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.	
No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	Status: Comply
7.6	
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	
No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	Status: Comply
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.	
No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	Status: Comply
7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
No establishing new plantings operations in Ladang Setiu 1. Replanting had been commenced in a part of managed area. Social and environmental assessment is undertaken by internal prior to replanting	
	Status: Comply
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.	
The company can show the evidence of continuous improvement in key area activity, for example:	
<p>Worker Welfare</p> <ul style="list-style-type: none"> - Passport are kept by the worker - Work agreement for foreign worker in mother language (ie for worker from Indonesia in Bahasa, Bangladesh I Bengali) <p>OSH Aspect</p> <ul style="list-style-type: none"> - Conduct internal audit for OSH annually - The mill is maintaining 100% safety compliance since June 2017. <p>Environmental aspect</p> <ul style="list-style-type: none"> - The methane captured from POME being flare through biogas operation. 	
	Status: Comply

3.2. Summary of Assessment Report of Supply Chain Requirement

3.2.1 General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>The Organization take legal ownership and physically oil palm products and there is no outsources. The RSPO Supply Chain Standard are applicable to Chalok. All CPO and PK transport was using Felda Transport Sdn Bhd</p>
	Status: Comply
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Chalok – FPI Sdn Bhd are not buy from any RSPO licensed traders and There is no selling RSPO certified product yet. This matter will be verified in ASA 1.</p>
	Status: Comply
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>Yes parent company are member of RSPO: 1-0225-16-000-00, 27 December 2016, RSPO IT Platform: FPISB KS Chalok RSPO_PO1000001906</p>
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization’s scope of certification.</p> <p>Parent company or site has no processing aids.</p>
	Status: Comply
5.2	Supply chain model
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>The organization will apply Mass Balance Supply Chain Model cause mill to receive FFB from non RSPO certified and non-certified. The implementation will be verified at ASA 1.</p>
	Status: Comply
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>The organization will apply Mass Balance Supply Chain Model. The implementation will be verified at ASA 1.</p>

	Status: Comply
5.3	Documented procedures
5.3.1	The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.
	Chalok Palm Oil Mill has Documented procedures (No. Document: FGVP(M)-RSPO SCCS, dated 1 December 2017). The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including training records. The procedures also identified role of implementation responsibility persons that trained. Evidence of training shown in RSPO Supply Chain Training held at 15 May 2018 with number of participants are 11 Persons. Based on interview at weighbridge station is known that the operators has understand the RSPO supply chain procedures.
	Status: Comply
5.3.2	The site shall have a written procedure to conduct annual internal audit
	The Procedure to conduct annual internal audit are describe at Standard Operating Procedure for Mill RSPO SCC (No. Document: FGVP(M)-RSPO SCCS, dated at 1 December 2017). Internal audit conducted by CDD (Certification Due Diligent) annually and management review by RSPO SCC Committee such as Internal audit conducted on 15 May 2018. The Procedure established and covering to the requirements in the RSPO Supply Chain Certification Standard. The implementation of this procedure will verify at ASA 1.
	Status: Comply
5.4	Purchasing and goods in
5.4.1	The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier
	Chalok did not purchased RSPO certified oil palm products, but produced RSPO certified oil palm products. This will be verify at ASA 1.
	Status: Comply
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents
	The Procedure/mechanism of handling non-conforming products are describe in Standard Operating Procedure for Mill RSPO SCC (No. Document: FGVP(M)-RSPO SCCS, dated at 1 December 2017), that mentioned if <ul style="list-style-type: none"> - There is a risk of mass balance reports for refineries processing CPO / PK certified and non-certified at the same time - When FFB Non Sustainable is less and delivery needs to be done system mass balance mill will down grade Sustainable CPO to Non Sustainable. <p>Chalok did not purchased RSPO certified oil palm products, but produced RSPO certified oil palm products. This will be verify at ASA 1.</p>
	Status: Comply
5.5	Outsourcing activities
5.5.1	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.
	Chalok POM doesn't outsource activities to independent third parties.

After processed the FFB, facility only sell their certified product (CPO and PK) to the buyer directly and not seeking outsourcing activities.	
	Status: Comply
5.5.2	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> a. The site has legal ownership of all input material to be included in outsourced processes; b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance 	
Chalok POM doesn't outsource activities to independent third parties.	
After processed the FFB, facility only sell their certified product (CPO and PK) to the buyer directly and not seeking outsourcing activities. All CPO and PK transport was using Felda Transport Sdn Bhd	
	Status: Comply
5.5.3	
The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	
Chalok POM doesn't outsource activities to independent third parties.	
After processed the FFB, facility only sell their certified product (CPO and PK) to the buyer directly and not seeking outsourcing activities. All CPO and PK transport was using Felda Transport Sdn Bhd	
	Status: Comply
5.5.4	
The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products	
Chalok POM doesn't outsource activities to independent third parties. It will verify in the next assessment	
After processed the FFB, facility only sell their certified product (CPO and PK) to the buyer directly and not seeking outsourcing activities. All CPO and PK transport was using Felda Transport Sdn Bhd.	
	Status: Comply
5.6	Sales and goods out
5.6.1	
The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer	
Chalok POM not yet received RSPO Certificate, It will verify in the next assessment	
	Status: Comply
5.7	Registration of transactions
5.7.1	
Supply chain actors who:	
<ul style="list-style-type: none"> • are mills, traders, crushers and refineries; and 	

<ul style="list-style-type: none"> take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable 	
Chalok POM not yet received RSPO Certificate so there is no transaction on RSPO IT Platform, It will verify in the next assessment	
	Status: Comply
5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 	
Chalok POM not yet received RSPO Certificate so there is no transaction on RSPO IT Platform, It will verify in the next assessment	
	Status: Comply
5.8	Training
5.8.1 The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff	
RSPO SCCS training Plan annually every years	
	Status: Comply
5.8.2 Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed	
Evidence of training shown in RSPO Supply Chain Training held at 15 May 2018 with the numbers of participantas are 11 persons. Based on interview at weighbridge station is known that the operators has understand the RSPO supply chain procedures.	
	Status: Comply
5.9	Record keeping
5.9.1 The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements	
Chalok POM has no certified product yet. All Records will be verified at ASA 1	
On Standard Operating Procedure for Mill RSPO SCC (No. Document: FGVP(M)-RSPO SCCS, dated at 1 December 2017) mentioned if the documents will be filing and keeping for two years	

	Status: Comply
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock
	Chalok POM has no certified product yet. All Records will be verified at ASA 1
	On Standard Operating Procedure for Mill RSPO SCC (No. Document: FGVP(M)-RSPO SCCS, dated at 1 December 2017) mentioned if the documents will be filing and keeping for two years
	Status: Comply
5.9.3	The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.
	Chalok POM has no certified product yet. Volume purchased and claimed records will verify at ASA 1
	Status: Comply
5.10	Conversion factors
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries
	No. Facility did not using conversion rate.
	Status: Comply
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.
	No. Facility did not using conversion rate.
	Status: Comply
5.11	Claims
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.
	No. Facility did not using logo during communication with stakeholder / customer. Its will verify at ASA 1
	Status: Comply
5.12	Complaints
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.
	The management unit of FGVP(M) has Procedures of Complaint and Grumbling Handling (Number: ML - 1A / L2 – Pr13, 1 June 2016). The procedure aim to resolve all complaints and grievances fairly and to maintain good relations between the company and other parties. The company was installed complain box in each estates and mill. Management unit also have

<p>records of complain in log book. The grievance from migrant workers may be submitted to the worker union. The worker union consist of representative from Malay worker.</p> <p>Meanwhile in the On Standard Operating Procedure for Mill RSPO SCC (No. Document: FGVP(M)-RSPO SCCS, dated at 1 December 2017) described about the mechanism for grievance of complaints are:</p> <ul style="list-style-type: none"> - If there is a grievance or complaints about RSPO SCC, the POM should referring to FGVP(M) has Procedures of Complaint and Grumbling Handling - Any amendments are subject to change by the RSPO system, which refers to the www.rspo.org 	
	Status: Comply
5.13	Management review
<p>5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken</p>	
<p>Chalok POM not yet received RSPO Certificate so It will verify in the next assessment</p>	
	Status: Comply
<p>5.13.2 The input to management review shall include information on:</p> <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	
<p>Chalok POM not yet received RSPO Certificate so It will verify in the next assessment</p>	
	Status: Comply
<p>5.13.3 The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 	
<p>Chalok POM not yet received RSPO Certificate so It will verify in the next assessment</p>	
	Status: Comply

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements								
E.1	Definition								
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>Chalok received FFB from it is certification scope (own estate) and outside scope certification. This is the reason that Chalok POM will be applied Module E: CPO mills – Mass Balance. During this audit, Chalok POM has not been certified, however this unit has had projection plan that supply bases within this certification scope will be determined as Certified sources.</p>								
	Status: Comply								
E.2	Explanation								
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>During this audit, Chalok POM has not been certified. The estimated product of CPO and PK is available within this report (point 1.8.4 page 10-11), following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Item</th> <th>Production estimated (Tonnes)</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td align="center">32,343</td> </tr> <tr> <td>CPO</td> <td align="center">6,792</td> </tr> <tr> <td>PK</td> <td align="center">1,617</td> </tr> </tbody> </table>	Item	Production estimated (Tonnes)	FFB	32,343	CPO	6,792	PK	1,617
Item	Production estimated (Tonnes)								
FFB	32,343								
CPO	6,792								
PK	1,617								
	Status: Comply								
E.2.2	<p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p> <p>Chalok has been registered in IT platform palmtrace RSPO https://palmtrace.rspo.org/web/rspo/member-directory which information that RSPO IT Platform member registration number: FGV KS Chalok RSPO_PO1000001906</p>								
	Status: Comply								
E.3	Documented procedures								
E.3.1	<p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ol style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. 								

<p>Chalok Pom has documented procedure regarding to supply chain through the document of Mill Procedure for RSPO Supply Chain Certification/Mass Balance (No. Document: FGVP(M)-RSPO SCCS, circulated at 1 December 2017). Those document described about management functions and job descriptions, mass balance reporting of certified CPO/PK, supply chain verification including CPO/PK Delivery Mill to Customer and record keeping. Those document also attached with FFB receiving procedure, FFB delivery note and e-trace procedure. Based on that document, there is also showed RSPO SCCS personal in charge who takes responsibility of supply chain implementation. Mill manager has took responsibility and authority as supply chain procedure and implementation.</p>	
	Status: Comply
E.3.2	
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	
<p>All FFBs sent to the mill must be completed with the following documents:</p> <ol style="list-style-type: none"> 1. FFB delivery notes (filled by estate clerk). 2. Gate pass (filled by FFB acceptance officer in security gate). 3. Grading receipt (filled by grader in loading ramp) 4. Weight bridge receipt (filled by weight bridge operator based). <p>Furthermore, they also had procedure “Kawalan Keluar dan Masuk BTS Alihantar” that instructed the clerk to stamp certified or noncertified FFB and weight bridges operator to stamp certified or noncertified CPO/PK.</p>	
	Status: Comply
E.4	Purchasing and goods in
E.4.1	
The site shall verify and document the volumes of certified and non-certified FFBs received.	
<p>Chalok POM has not been certified, therefore document the volume of certified and non-certified FFB’s not yet available. But, the Mill has a template to separate FFB’s sources from Certified and Non-Certified.</p>	
	Status: Comply
E.4.2	
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	
<p>Chalok POM not certified yet and this standard will be verified after mill has been certified. FGVP (M) has had SOP for Mill RSPO Supply Chain Certification System which describe that mill has daily report which infor FFB input, mill only can sell the certified product from positive stock and shown in mass balance record, mill need to report to CB immediately if there is overproduction from projected production.</p>	
	Status: Comply
E.5	Record keeping
E.5.1	
<ol style="list-style-type: none"> a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short. (i.e product can be sold before it is in stock.) 	
<p>Chalok has not been certified, but the Mill has template to separate FFB’s sources from Certified and Non-Certified including record of MB on 3 monthly basis. This will be further verified when Maokil has obtained the certificate.</p>	
	Status: Comply

3.3. Conformity Checklist of Certificate and Trademark 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 verify during Annual Surveillance Assessment There is no RSPO logo that used by the company	√
	Status: Comply	
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 verify during Annual Surveillance Assessment There is no RSPO logo that used by the company	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ST-2	Will be verify during Annual Surveillance Assessment There is no RSPO logo that used by the company	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ST2	Will be verify during Annual Surveillance Assessment There is no RSPO logo that used by the company	√
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

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

Felda Global Ventures Holdings Berhad Time Bound Plan is explaining in table 1.10. Felda Global Ventures Holdings Berhad run seventy two (72) mills and Seventy Five (75) Complex in Malaysia and Indonesia and no one has achieved RSPO certified. Felda Global Ventures Holdings Berhad has informed the Time Bound Plan progress, MUTU has considered that Felda Global Ventures Holdings Berhad is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Felda Global Ventures Holdings Berhad on 31 March 2017.

MUTU has verified partial certification for un-certified unit's subsidiary of Felda Global Ventures Holdings Berhad based on their Time Bound Plan. There are seventy two (72) uncertified management unit of Felda Global Ventures Holdings Berhad. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

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

		<p>FGV already brief this issue to RSPO secretariat. All details summary as per below:</p> <table border="1"> <tr> <td colspan="3">HCV clearance Kalimantan reported by Chain Research Reaction</td> </tr> <tr> <th>ISSUE</th> <th>ACTION PLAN PROGRESS</th> <th>DATE OF COMPLETION</th> </tr> <tr> <td>HCV clearance at PT CNP and PT TAA</td> <td>Engaged independent consultant for ground investigation</td> <td>20 April - 4th May 2016</td> </tr> <tr> <td></td> <td>Investigation finding presentation to FGV management</td> <td>9th May 2016</td> </tr> <tr> <td></td> <td>Brief presentation to RSPO on the investigation findings</td> <td>10 May 2016</td> </tr> <tr> <td></td> <td>Letter to stop all operation in HCV area</td> <td>10 May 2016</td> </tr> <tr> <td></td> <td>1st Public statement on HCV clearance at PT CNP and PT TAA on FGV website</td> <td>22nd May</td> </tr> <tr> <td></td> <td>Discussion on Conservation and remediation plan with RSPO technical Director</td> <td>23 May 2016</td> </tr> <tr> <td></td> <td>2nd Public statement on HCV clearance at PT CNP and PT TAA on FGV website</td> <td>25 May 2016</td> </tr> <tr> <td></td> <td>Sent a letter to RSPO on action plan for PT CNP and PT TAA</td> <td>27th May 2016</td> </tr> <tr> <td></td> <td>3rd Public statement on HCV clearance at PT CNP and PT TAA on FGV website</td> <td>15 June 2016</td> </tr> <tr> <td></td> <td>Develop the Conservation and Remediation plan and relevant SOP</td> <td>1st July 2016</td> </tr> </table>	HCV clearance Kalimantan reported by Chain Research Reaction			ISSUE	ACTION PLAN PROGRESS	DATE OF COMPLETION	HCV clearance at PT CNP and PT TAA	Engaged independent consultant for ground investigation	20 April - 4 th May 2016		Investigation finding presentation to FGV management	9 th May 2016		Brief presentation to RSPO on the investigation findings	10 May 2016		Letter to stop all operation in HCV area	10 May 2016		1st Public statement on HCV clearance at PT CNP and PT TAA on FGV website	22 nd May		Discussion on Conservation and remediation plan with RSPO technical Director	23 May 2016		2nd Public statement on HCV clearance at PT CNP and PT TAA on FGV website	25 May 2016		Sent a letter to RSPO on action plan for PT CNP and PT TAA	27 th May 2016		3rd Public statement on HCV clearance at PT CNP and PT TAA on FGV website	15 June 2016		Develop the Conservation and Remediation plan and relevant SOP	1 st July 2016
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		Appointment letter to engage independent external social mediator to handle negotiation with affected communities	1 st July 2016
		Conducted social mediation and engagement with affected communities	18 July to 30 July 2016
		Consultation with FGV legal department on local national regulation. Found that the area (PT CNP and PT TAA) were outside the Indonesia Peat Moratorium no. X (10)	30 July 2016
		4th Public statement on HCV clearance at PT CNP and PT TAA on FGV website	12 August 2016
		Sent the progress of action taken to RSPO using SRT V	19 August 2016
		Sent out the Conservation and remediation plan to PT CNP and PT TAA for implementation	7 Oct 2016
		Meeting with RSPO Technical Director and RSPO Complaint Coordinator on PT CNP and PT TAA issue	14 Oct 2016
		Sent the progress of action taken to RSPO using SRT V	17 Oct 2016
		5th Public Statement on HCV clearance at PT CNP and PT	5 Nov 2016

			TAA on FGV website	
			Meeting with RSPO secretariat on Compensation Panel feedback and our complaints on HCV updates in WSJ complaint update	25 Nov 2016
			Received comment and recommendation from RSPO compensation Panel on PT CNP	1 Dec 2016
			Meeting with the FGV Kalimantan at PT CNP office for further engagement with ELC/Aid environment and Aksenta	13 Dec 2016
			Meeting on new revised Indonesia regulation PP57 and PP 71 with Badan Lingkungan Hidup dan Kehutanan as well as with Dinas Perkebunan Kalimantan Barat	14 Dec 2016
			Meeting with ELC/AIDH and Aksenta on new proposal to include Aid environment proposal for our Landscape conservation plan	14 Dec 2016
			Meeting with PERMADA (Persatuan Madura & Dayaks) on their request to develop the HCV area	15 Dec 2016
			Site visit to PT CNP and PT TAA with Kalimantan team	15 Dec 2016

			Finalizing the next action for conservation engagement with ELC/AIDH and Aidenvironment	16 Dec 2016																											
			Kalimantan operation to seek an area with local Bupati to replace the cleared HCV area	In progress																											
		REVIEW HCV ASSESSMENT	6th Public Statement on HCV clearance at PT CNP and PT TAA on FGV website	10 Feb 2017																											
			PERSADA meeting with RSPO Jakarta	9th Mar 2017																											
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: There is new planting after 1 Jan 2010.</p> <p>Auditor Verification: NPP audit has been carried out for all FGVP(M) Estate and is currently under review. Data as per below</p> <table border="1"> <thead> <tr> <th>ESTATE</th> <th>HECTARAGE INVOLVES IN NPP</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>FGVP(M) Chegar Perah 1</td> <td>59.32</td> <td rowspan="4">Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA & HCS assessment.</td> </tr> <tr> <td>FGVP(M) Bukit Sagu 8</td> <td>61.54</td> </tr> <tr> <td>FGVP(M) Tembangau 5</td> <td>86.58</td> </tr> <tr> <td>FGVP(M) Selendang 3</td> <td>97.59</td> </tr> <tr> <td>FGVP(M) Krau 2</td> <td>170.78</td> <td rowspan="7">Waiting consultant (Aksenta) to start NPP assessment in February 2017.</td> </tr> <tr> <td>FGVP(M) Krau 4</td> <td>80.28</td> </tr> <tr> <td>FGVP(M) Bukit Sagu 6</td> <td>72.87</td> </tr> <tr> <td>FGVP(M) Lepar Hilir 5</td> <td>253.62</td> </tr> <tr> <td>FGVP(M) Tembangau 6</td> <td>495.53</td> </tr> <tr> <td>FGVP(M) Aring 10</td> <td>518.52</td> </tr> <tr> <td>FGVP(M) Setiu 01</td> <td>130.72</td> </tr> </tbody> </table>			ESTATE	HECTARAGE INVOLVES IN NPP	Status	FGVP(M) Chegar Perah 1	59.32	Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA & HCS assessment.	FGVP(M) Bukit Sagu 8	61.54	FGVP(M) Tembangau 5	86.58	FGVP(M) Selendang 3	97.59	FGVP(M) Krau 2	170.78	Waiting consultant (Aksenta) to start NPP assessment in February 2017.	FGVP(M) Krau 4	80.28	FGVP(M) Bukit Sagu 6	72.87	FGVP(M) Lepar Hilir 5	253.62	FGVP(M) Tembangau 6	495.53	FGVP(M) Aring 10	518.52	FGVP(M) Setiu 01	130.72
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		Total	1,722.32	
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement:</p> <p>Auditor Verification:</p> <p>There is issue on land conflict although it was captured on Felda Membership, but FGV also indirectly involved as part of the claim involve FGVP(M) Sahabat 55 The issue still in progress. Data as per below:</p> <p>Member : Lembaga Kemajuan Tanah Persekutuan (FELDA) /Orang Dusun Desa Begahak Date Filed : 16 February 2015 Complaint : Community of Desa Begahak Complaint : The company has breached the communities user rights to the land in breach of Principle 2.2</p> <p>Status : Box F – Action Plan</p> <p>Synopsis</p> <p>According to the Enquiry National Hak Tanah of Malaysia conducted by SUHAKAM, the state government had given 1260 acres of land to the Dusun Begahak community in 1981. At the same time, the same land was alienated to FELDA for development.</p> <p>The complainant raised the issue that FELDA has no right to develop their land and should return it to the community because the land originally belonged to the community. The complainant also stated that the cemetery area is being developed by FELDA.</p> <p>FELDA enclaved 916 acres of the said land and gave it back to the community on the 25th of May 1982. The community planted fruits and other crops on the land.</p> <p>We have received some evidence from both sides. The evidence needs to be scrutinised and investigated further.</p> <p>Remarks</p> <p>2 July 2015 – It was agreed that the matter would be referred to the FELDA/FGV Sustainable Steering Committee on 7th July 2015.</p>		

		<p>22 June 2015 – FELDA had another meeting with Robin Balud and the representatives of the community and agreed to exchange documents on the land claim. A site visit was also undertaken with the community members.</p> <p>4 June 2015 – FELDA met with Robin Balud again and agreed to do a joint mapping of the land.</p> <p>10 April 2015 – FELDA met the complainant, Robin Balud, in Kota Kinabalu Sabah, to discuss the complaint.</p> <p>9 April 2015 – FELDA met the community (Desa Begahak) members and discussed the issues from the complaint and the land claim.</p> <p>13 March 2015 – RSPO had a conference call meeting with the head of the Dusun Begahak community to understand the situation.</p> <p>16 March 2015 – RSPO had a conference call meeting with FELDA representatives to discuss the situation.</p> <p>17 March 2015 – The complaint was raised to the Complaint Panel for further discussion and action.</p> <p>4 June 2015 – FELDA met the complainant Robin Balud and discussed the main issues of the land claim and compensation.</p> <p>22 March 2016 – RSPO sent complaint notice to FELDA.</p> <p>1 April 2016 – State Land and Survey Department begin its mapping exercise.</p> <p>4 April 2016 – FELDA submits action plan to RSPO dated 27 March 2016.</p> <p>6 May 2016 – FELDA withdraws its RSPO Principle and Criterias certificates.</p> <p>26 July 2016 – Complainant send a formal letter to FELDA to settle the customary land dispute.</p>
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		<p>19 August 2016 – Progress report submitted by Felda.</p> <p>20 September 2016 – Felda met with the community to discuss on how they will progress on the complaint, once the joint mapping report is received from the Sabah Land and Survey department</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement:</p> <p>Auditor Verification: There is 1 issue happen in FGVP(M) Palong Timur 04 (Now FGVP(M) Palong Timur 05) and the details is elaborated below:</p> <ol style="list-style-type: none"> 1. FGVP(M) PALONG TIMUR 04 (NOW FGVP(M) PALONG TIMUR 05): Claims on 19.06.2012 with value of summon RM61,968.60 and summon status is Court Appeal
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement:</p> <p>Auditor Verification: During partial audit, 1 issue with DOE in FPISB Selancar 2A POM is sighted. Summon no: SJ 53-4/2016; Date 14.04.2016 in Mahkamah Seksyen Kuantan.</p> <p>Fixed for Trial on 01.03.2017, 02.03.2017 and 03.03.2017.</p> <p>Also 1 issue for minimum wages. Refer to 4.3.1</p> <p>All process still in progress and CB will verify this issue in next audit or during audit in this mill.</p>

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

3.5.1 Identification of Findings, Corrective Actions and Observations at ST-2 Assessment

NCR No.	: 2018.01	Issued by	: Steve Mualim
Date Issued	: 19 July 2018	Time Limit	: July 18, 2019
NC Grade	: Major	Date of Closing	: September 20, 2018
Standard Ref. & Requirement	: 2.1.1. Evidence of compliance with relevant legal requirements shall be available.		
Non-Conformance Description & Evidence observed (filled by auditor):			
<p>During mill visit, sighted the EFB were filled outside of the fencing area that near to water course. This is against the requirement stipulated in Jadual Pematuhan [# 004049] that EFB should be at least 100 meters away from any water course.</p>			
Root Cause Analysis (filled by organization audited):			
<ol style="list-style-type: none"> 1. Limited area for EFB site 2. Mill is under process of repairing 1 unit of incinerator 3. No selling of EFB from outside buyer 			
Correction (filled by organization audited):			
<ol style="list-style-type: none"> 1. Conduct Cleaning and transferring EFB to the other suitable area 2. sell EFB to Outside buyer 			
Corrective Action (filled by organization audited):			
<ol style="list-style-type: none"> 1. New Location for EFB site (Map) 2. Before and after picture for EFB reallocation 3. Copy of EFB selling receipt or contract to the outside buyer 4. Copy of Incinerator repairing. 			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on September 20th 2018			
<p>Mill management shows Agreement Letter between Pelda Palm Industries Sdn. Bhd. And Cycotec (M) Sdn. Bhd. Dated January 1st 2013 about agreement to supply EFB, palm kernel shell and mesocarp fibre. The company has also shows the new EFB relocation map, which located more than 100 meters from water bodies. Furthermore evidence on EFB relocation record was available Based on explanation above, NCR No 2018.01 is considered Closed with observation</p>			
Verified by	: Steve Mualim		

NCR No.	: 2018.02	Issued by	: Moh Arif Yusni
Date Issued	: 19 July 2018	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.2.2. There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves.		

<p>Non-Conformance Description & Evidence observed (filled by auditor): There are insufficient records to evidence on why there was no action taken on the missing boundary marker after annual census exercises.</p> <p>Documents verification there is fifty five (55) boundaries stones in FGVP(M) Setiu 1 Estate. Based on boundary stones census which conducted in June and July 2018, it was known that there was 9 of 55 boundary stones in FGVP(M) Setiu 1 Estate are lost. Action plan as follow up on this matter is not available.</p>	
<p>Root Cause Analysis (filled by organization audited):</p> <ol style="list-style-type: none"> 1. The boundary stone has been shut with ground soil 2. There is no monitoring done for the 9 boundary stone. 	
<p>Correction (filled by organization audited): Communicate between Estate Management and Land Management Unit (LMU) FGVP(M) to identify the actual location for the lost boundary stone and remarking it.</p>	
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Picture of boundary stone that has been remarked. 2. Monitoring record for all boundary stone. 	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p>	
<p>Verified by :</p>	

NCR No. :	2018.03	Issued by :	Mohamad Amarullah
Date Issued :	19 July 2018	Time Limit :	July 18, 2019
NC Grade :	Major	Date of Closing :	September 20th 2018
Standard Ref. & Requirement :	4.3.1 Maps of any fragile or marginal soils shall be available		
<p>Non-Conformance Description & Evidence observed (filled by auditor): Estate management shows soil type map which informed that there were 24 soil types in Setiu 1 Estate. However, basic information of map such as legend, scale and suitability class which informed limitation on its soil type are not available. Hence, information on marginal and fragile soil in Setiu 1 Estate operational area is not available.</p>			
<p>Root Cause Analysis (filled by organization audited): No expertise from estate management to prepare soil type information.</p>			
<p>Correction (filled by organization audited): Communicate with Agronomist to get required information</p>			
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Record of application for soil type information from estate management to the agronomist. 2. Copy of soil type information from agronomist. 			
<p>Assessor and Conclusion (filled by auditor): Verification on September 4th 2018 Setiu Estate Management shows map of soil series for FGVP(M) Setiu 1 with scale 1:50,000. The map has informed on the legend description about soil type/series identified. Estate management has also shows list of soil type description or soil properties. However, there is no information on:</p> <ul style="list-style-type: none"> • Hectarage for each soil series. 			

- Which soils which were classified as Marginal and/or Fragile soils, as well as its suitability class.

According to explanation above, **NCR No. 2018.03** is still remain **open**.

Verification September 20th 2018

Estate management has shown description of each soil type properties in Setiu 01 Estate. For example, description of soil type is presented as follows:

- Soil series Name: Malacca (MCA).
- Description of soil texture: clay loam to clay.
- Limitation: unsuitable for oil palm, massive and compacted laterite in the B Horizon.
- Location: PM11M Block 4 and PM99C Block 16.
- Hectarage: 15.00 ha.
- Management Plan: annual fertilizer in accordance with agronomist recommendation, installation and maintenance of silt pit on replanting areas and EFB mulching.
- Achievement in 2018: 4 rotation of fertilizer application had fully conducted.
- Management plan for 2019: manuring and EFB mulching.

Based on explanation above, it could be concluded that the company has provide information on marginal and fragile soil in Setiu 1 Estate operational area, included with its agronomy strategy. Hence, NCR No. 2018.03 is considered **closed**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2018.04	Issued by	: Steve Mualim
Date Issued	: 19 July 2018	Time Limit	: July 18, 2019
NC Grade	: Major	Date of Closing	: September 20th 2018
Standard Ref. & Requirement	: 5.3.1 All waste products and sources of pollution shall be identified and documented.		
Non-Conformance Description & Evidence observed (filled by auditor): Not all waste products and sources of pollution had been identified and documented. Based on the document verification and observation at KKS Chalok, it was found that the items below were not identified as per Environmental Quality Act Scheduled Waste Regulation 2005:			
<ul style="list-style-type: none"> • Spent Isopropanol Alcohol, and Hexane used in the laboratory • Spent contaminated lubricant container and Chemical container found at the Schedule waste store area • Availability of Spent Filters at Scheduled waste store has been not updated in inventor 			
Root Cause Analysis (filled by organization audited):			
<ol style="list-style-type: none"> 1. There is no person in charge to monitor inventory and register of Scheduled Waste 2. Lack of Knowledge from staff to determine and manage scheduled waste disposal. 			
Correction (filled by organization audited):			
<ol style="list-style-type: none"> 1. Appointed person in charge to monitor inventory and registration of scheduled waste 2. Identify and register scheduled waste 			
Corrective Action (filled by organization audited):			
<ol style="list-style-type: none"> 1. Copy of Scheduled waste that has been registered 2. Training record in handling scheduled waste. 			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on September 20th 2018;			

The company shows the most updated list of notification of scheduled waste and inventory for KKS Chalok, presented in the following Table:

Waste name	Submitted date	Waste code
Sisa bahan kimia terpakai (IPA and hexane)	10 Aug 2018	SW322
Tong drum minyak pelincir/gearbox/turbine	10 Aug 2018	SW409
Penapis minyak tercemar	2 Sep 2013	SW410

Based on explanation above, it could be concluded that mill management has updating towards schedule waste notification and inventory for spent filter at schedule waste store is available. Hence, **NCR No. 2018.04** is still Closed.

Verified by : **Steve Muallim**

NCR No.	: 2018.05	Issued by	: Moh Arif Yusni
Date Issued	: 19 July 2018	Time Limit	: July 18, 2019
NC Grade	: Major	Date of Closing	: September 4th 2018
Standard Ref. & Requirement	: 6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.		
Non-Conformance Description & Evidence observed:			
<p>Social Impact Assessment was held on by Plantation Sustainability department from HQ. The assessment done by field interviews (group interviews and one-on-one interviews, consultation with the unit management, site observation and documentation review. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes. Sighted the negative impacts connected to a management plan that all falls within short term [resolve within a year], mid-term [resolve within 6-12 months] and long term [implementation within 2 years]. However, seen the assessment not effectively assessed on wider scope to include issues such as potential social impact and management plan to :</p> <ul style="list-style-type: none"> - Replanting activity in Setiu - Cattle intrusion on the field - The presence of foreign workers from various countries and the impact to availability of housing 			
Root Cause Analysis (filled by organization audited):			
1. Social Impact Assessment conducted by third party which is from Plantation Sustainability Department (PSD), during Social Impact Assessment on 14 May 2018. PSD team was informed by FGVP(M) Setiu 01, replanting activity not yet start. Thus SIA did not cover any consultation regarding replanting issue.			
Correction (filled by organization audited):			
<ol style="list-style-type: none"> 1. Conduct social impact assessment 2. Social impact assessment based on Procedure 			
Corrective Action (filled by organization audited):			
1. Record of social impact assessment (SIA) from PSD that cover replanting issue such as cattle intrusion, impact of presence of foreign workers and impact to availability of housing.			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on September 4 2018			
The company shows report on social impact assessment of FGVP(M) Setiu 01 dated May 14th 2018. The report mentioned that sampling taken were derived from representatives of local workers, Indonesian workers, Bangladeshi			

workers and surrounding villages. Furthermore, the report also describes management plan for social impact management to overcome negative issues and its PIC. For example, regarding replanting aspect, impact which could be raised are:

- Intrusion of cattle owned by local communities to replanting areas.
- Insecurity of harvester to lose their job, due to productive FFB producing area will be decreased.
- Foreign workers has potentially inhibit local workers acceptance.

This identification has describes management plan for short term and long-term, as well as it monitoring. Hence, based on explanation above, it could be concluded that evidence of correction is accepted. NCR No 2018.05 is considered

Closed with observation

Verified by : **Moh Arif Yusni**

3.5.2 Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.1 Major	<ul style="list-style-type: none"> • MPOB License – 5599862000, expires on 31/03/19 [2560.23 Ha but planted area is 2395.82 Ha] • Based on the time bound plan for the FPISB, the Chalok POM listed to obtain fire certificate by 2021. The mill management has initiated the Fire Certificate application in Aug. 2014 [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. The mill management is currently corresponding with their HQ team for mill fire evacuation layout and nomination of contractors. <p>Wan Mohd. Syahrin [910102-11-5099] has attended the Certified Environmental Professional in Waste Management (CePSWaM) in Nov 2017 and has a timeline until Nov 2018 to submit his FTR [Field Training Report]. The progress will be verifying in next assessment since this is a requirement by Environmental Quality Act 1974 (Act 127), Article 49A. (1) An owner or occupier of a premise shall employ a person who has been certified by the Director General as a competent person to conduct all or any of the following activities (b) the management of schedule wastes.</p>
2	2.2.1 MAJOR	<p>Based on the area statement, total title area is 3104.26 Ha and the planted area is 2395.82. Found there is a discrepancy as below which to be sort it prior to certification decision and will have a significant impact on the proposed development of unplanted area covered about 108.10 Ha into oil palm plantation:</p> <ul style="list-style-type: none"> • Pemberian Hakmilik Tanah letter dated 18/04/11 from Land Department – 3050.49 Ha • Pengesahan Hakmilik dated 04/08/14 from Unit Tanah FGVP(M) – 3091.85 Ha • Estate's Hectarage Statement – 3104.26 Ha
3	4.7.1 Major	Mil management is encourage to make sure that follow up towards audiometric test results has carried out as scheduled.
4	5.3.3 Minor	<ul style="list-style-type: none"> • Consideration for the mill to improve the lubricant store and scheduled waste area for bund installation. • Consideration to improve the management of monsoon drain in the mill
5	8.1 Major	Continuous Improvement Plan to be review and be given consideration on social impacts that resulted from SIA and improvement focusing on the non-conformance resulted from internal audit.



3.5.3 Noteworthy Positive Components

No	Ref Std	Descriptions
1		Good commitment from management to implement the sustainability in FGVP (M).
2		Well coordination between management unit and supporting staff.
3		The mill is maintaining 100% safety compliance since June 2017.
4		The methane captured from POME being flare through biogas operation.
5		Interviewed with workers revealed the management not discriminating of their workers in any form.
6		Stakeholder interview reveled the estate management has always co-operative and responsive with surrounding communities.
7		Basic amenities for foreign workers seen well allocated and continuously monitor for improvement and refurbishment.
8		Pesticide and premix stores are well constructed and effectively managed by the respective PIC.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Contractors of FFB Transport – Koperasi Felda Chalok Rahmat</p> <p>A local contractor had been interviewed during the audit. He had been contract with the FGV estate for ten years and as far from the interview, the payment method, contracting and workers welfare had been a priority concern of FGV management. The method of payment will be done by online banking and payment been made on monthly basis based on the contract available and invoice issuance. Sighted no complain has been logged in towards the FGV Management and the contractor are satisfied with FGV Management handling the contract. FGV management also giving information to the workers during signing the contract that the workers should obey the company policy, code of conduct and everything had been kept in a booklet send to the contractors and a copy of contract also kept by the contractor. Every single policy and legal requirement are clearly stated in the contract and obeyed by the contractor.</p>	<p>The company will continue to keep a good relation between the contractors and Koperasi Felda Chalok Rahmat and also further engagement will be enhanced from time to time.</p>
<p>FGV Foreign Workers Representative (1 Bangladeshi, 1 Indian and 1 Indonesian)</p> <p>3 workers representative had been interviewed in FGV estate Setiu 01. 1 Indian worker, 1 Indonesian workers and 1 Bangladeshi worker had been interviewed. The Bangladeshi worker had been working for 8 year, and 12 years respectively. They work as harvesters in the estate, spraying and also manuring express satisfaction working in the company. Few issues had been raising up regarding the houses condition salary, however based on the cross check with the estate management, the issues had been clarified and information related to the information will be done time to time. All of them had expressed a good feeling towards the management and satisfied the way how management treat them in the estate fairly between each other and the local workers. The company also had provide a van to go the nearest town and given them a proper housing area to stay during works in the estate. Sighted also the nearby shop for groceries shopping and the basic amenities had been provided by FGV Management.</p>	<p>FGV Management will keep a good relation especially with the foreign workers representative of FGV Estate Setiu 01.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>FTP Staff from Felda Chalok Rahmat</p> <p>Staff from Felda Chalok Rahmat had attended the meeting. Based on the meeting and feedback, the representative had voice out satisfaction regarding FGV Management especially mill regarding the grading of FFB and OER from the mill.</p>	<p>FGV Management will keep a good relation Felda technoplant staff and will continue the cooperation.</p>
<p>Representative from Kg Besut (local people)</p> <p>Representative form Nearby village had attended the meeting. Based on the interview, the local people had expressed the satisfaction regarding the management of estate Setiu 01 handling the local people from the village. Based on the interview, no problem happen between the estate and nearby village.</p>	<p>No issues raised. FGV Setiu 01 will continue the cooperation with local people whenever needed.</p>

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> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>Kilang Sawit Chalok, FGVP(M) Management Representative</p>  <p>Norazam Abdul Hameed Thursday, 20 September 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p>Moh Arif Yusni Thursday, 20 September 2018</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Majlis Kebajikan dan Pembangunan Masyarakat Kebangsaan Malaysia	Malaysia	makpem@gmail.com	Questionnaire	11 July 2018		√
2	Pesticide Action Network Asia & Pacific	Malaysia	panap@panap.net	Questionnaire	11 July 2018		√
3	Environmental Protection Society	Malaysia	epsm@epsm.org.my	Questionnaire	11 July 2018		√
4	Gender Committe	Ladang Setiu	-	Interview	11 July 2018	√	√
6	Foreign Workers: - Bangladesh: 1 - India: 1 - Indonesia: 1	Ladang Setiu	-	Interview	18 July 2018	√	
7	Representative from Kg Besut (local people	Ladang Setiu	-	Interview	18 July 2018	√	
8	FTP Staff from Felda Chalok Rahmat	KKS Chalok	-	Interview	18 July 2018	√	
9	Contractors of FFB Transport – Koperasi Felda Chalok Rahmat	KKS Chalok	-	Interview	18 July 2018	√	
10	Kilang Kelapa Sawit Chalok - 2 local workers on Security Post - 3 local workers on Loading Ramp - 3 local workers on Boiler Station - 1 local worker on Sterilizer Station - 2 local worker on Workshop	KKS Chalok	-	Interview	17 July 2018	√	
11	FGVP(M) Tembangau 03 Estate - Sprayers: 4 Malaysian - Manuring: : 2 Malaysian - Harvesters: 2 Indonesian	Ladang Setiu	-	Interview	18 July 2018	√	

Appendix 2. Assessment Program

DATE		16 to 19 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 16 July 2018			
08.00 - 11.00	08.00 - 11.00	Jakarta – Kuala Lumpur	• MAY / SMM / AMR
11.00 – 16.00	11.00 – 16.00	Travelling from KL to Terengganu	• All Auditor
Tuesday, 17 July 2018			
08.00 – 09.00	08.00 – 09.00	Opening Meeting in KKS Chalok <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit) • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification) 	All Auditor
09.00 – 12.00	09.00 – 12.00	Document Audit and Field visit to <u>CHALOK PALM OIL MILL</u> <ul style="list-style-type: none"> - Supply Chain verification (FFB Receiving, Weighbridge) - FFB Sorting, Processing Activity, Despatch CPO); Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & Land Application of POME) 	• MAY • SMM / AMR
12.00 – 14.00	12.00 – 14.00	Break Break and Lunch	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Continue Field Observation and field observation clarification • Document review & Follow-up and Clarification of Field Observation\ 	All Auditor
Wednesday, 18 July 2018			
08.00 - 12.00	08.00 - 12.00	Document Audit and Field Visit to <u>Ladang Setiu</u> <ul style="list-style-type: none"> - Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc.); Environmental, Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare - Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) - Worker's Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Stakeholder consultation to affected communities surrounding the plantations, Worker Union, Gender Commite and Local Contractor 	• MAY • SMM • AMR • AMR

DATE		16 to 19 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Continue Field Observation and field observation clarification • Document review & Follow-up and Clarification of Field Observation 	All Auditor
Thursday, 19 July 2018			
08.00 – 09.00	08.00 – 09.00	<ul style="list-style-type: none"> • Internal discussion by auditor team preparing for Closing Meeting 	All Auditor
09.00 – 11.00	09.00 – 11.00	<ul style="list-style-type: none"> • Closing Meeting <ul style="list-style-type: none"> - Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/ - Comments, Responses and Questions 	
11.00 – 18.00	11.00 – 18.00	<ul style="list-style-type: none"> • Travelling from Site to KL 	
20.00 -	20.00 -	<ul style="list-style-type: none"> • Travelling From KL to Jakarta 	