

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Kilang Sawit Jerangau Baru, Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd
 Plantation Name : Felda Global Venture Plantation Malaysia Sdn Bhd (Chador 01, Rantau Abang 01, Rantau Abang 02)
 Location : Felda Palm Industries Sdn Bhd, Kilang Sawit Jerangau Baru, 21820 Ajil, Terengganu, Malaysia.
 Certificate Code : **MUTU-RSPO/121**
 Date of Certificate Issue : 21 September 2018 Date of License Issue : 21 September 2018
 Date of Certificate Expiry : 20 September 2023 Date of License Expiry : 20 September 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST 2	23 to 26 July 2018	Muhammad Rinaldi (Lead Auditor), Sandra Purba, Asystasya Aishah Silalahi	Ganapathy Ramasamy	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ST 2	21 September 2018

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Figure 1. Location Map of Jerangau Baru POM – Felda Palm Industries Sdn Bhd (Terengganu, Malaysia)

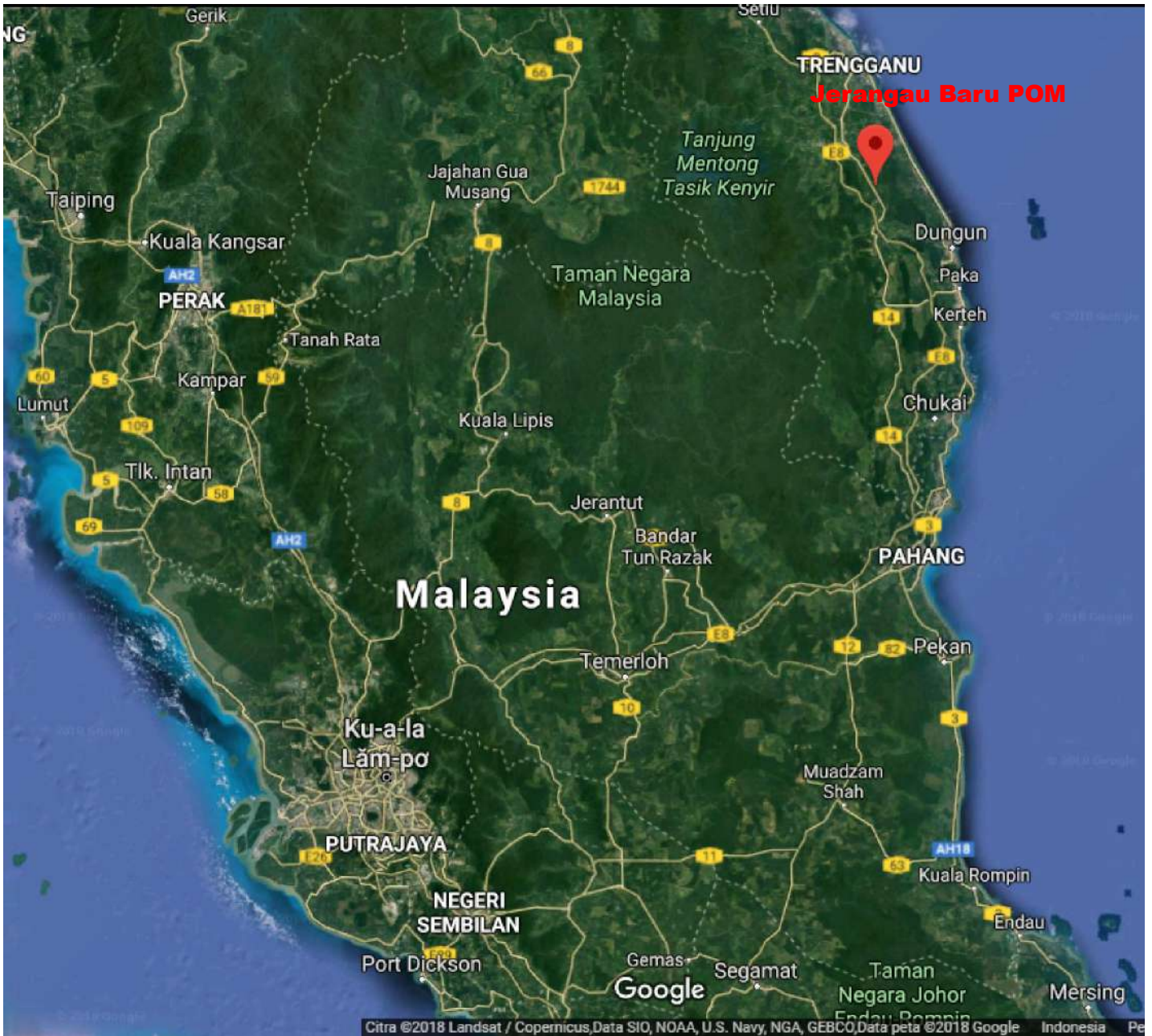




Figure 2. Operational Map of Chador 01 Estate

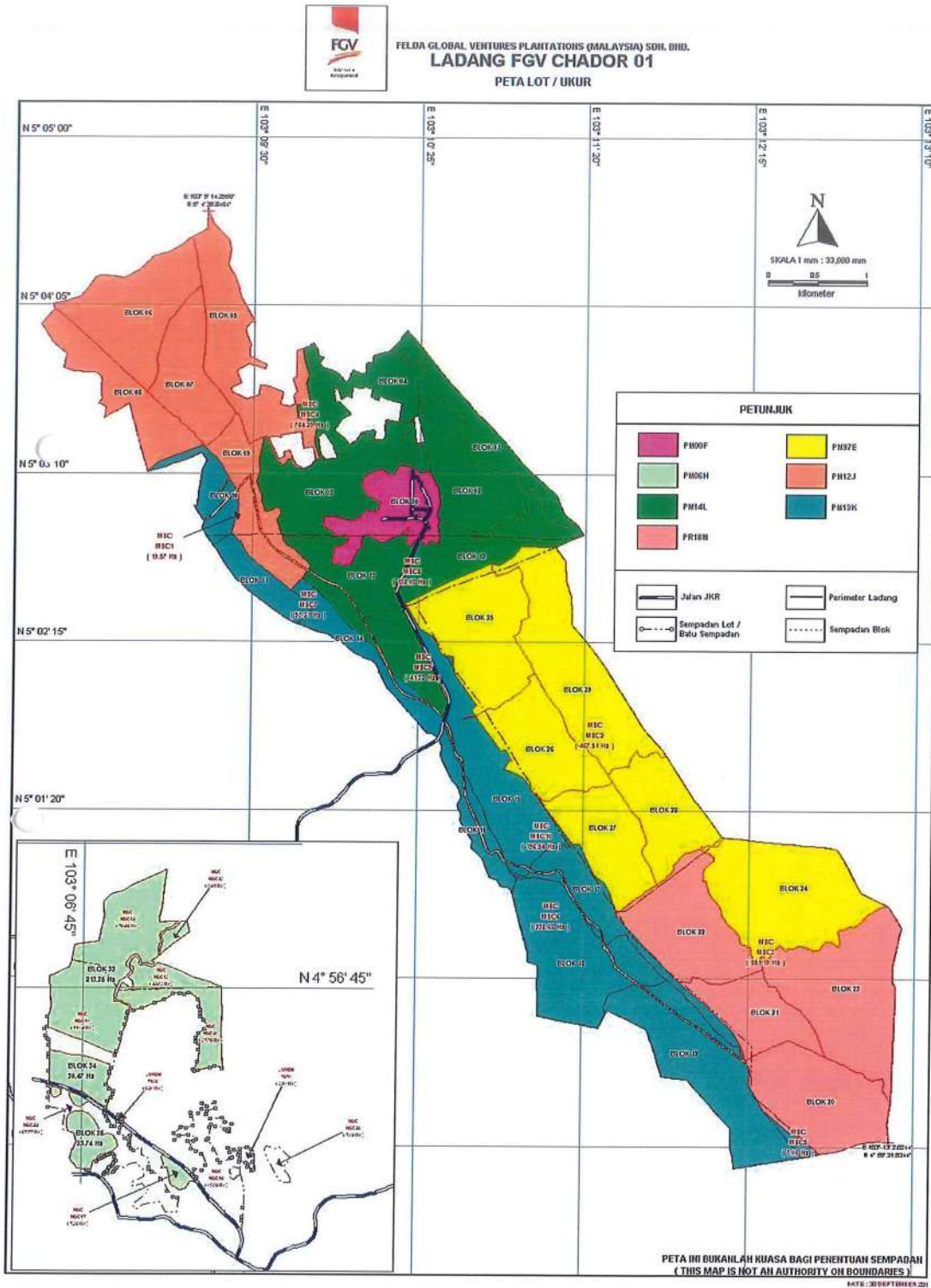


Figure 3. Operational Map of Rantau Abang 01 Estate

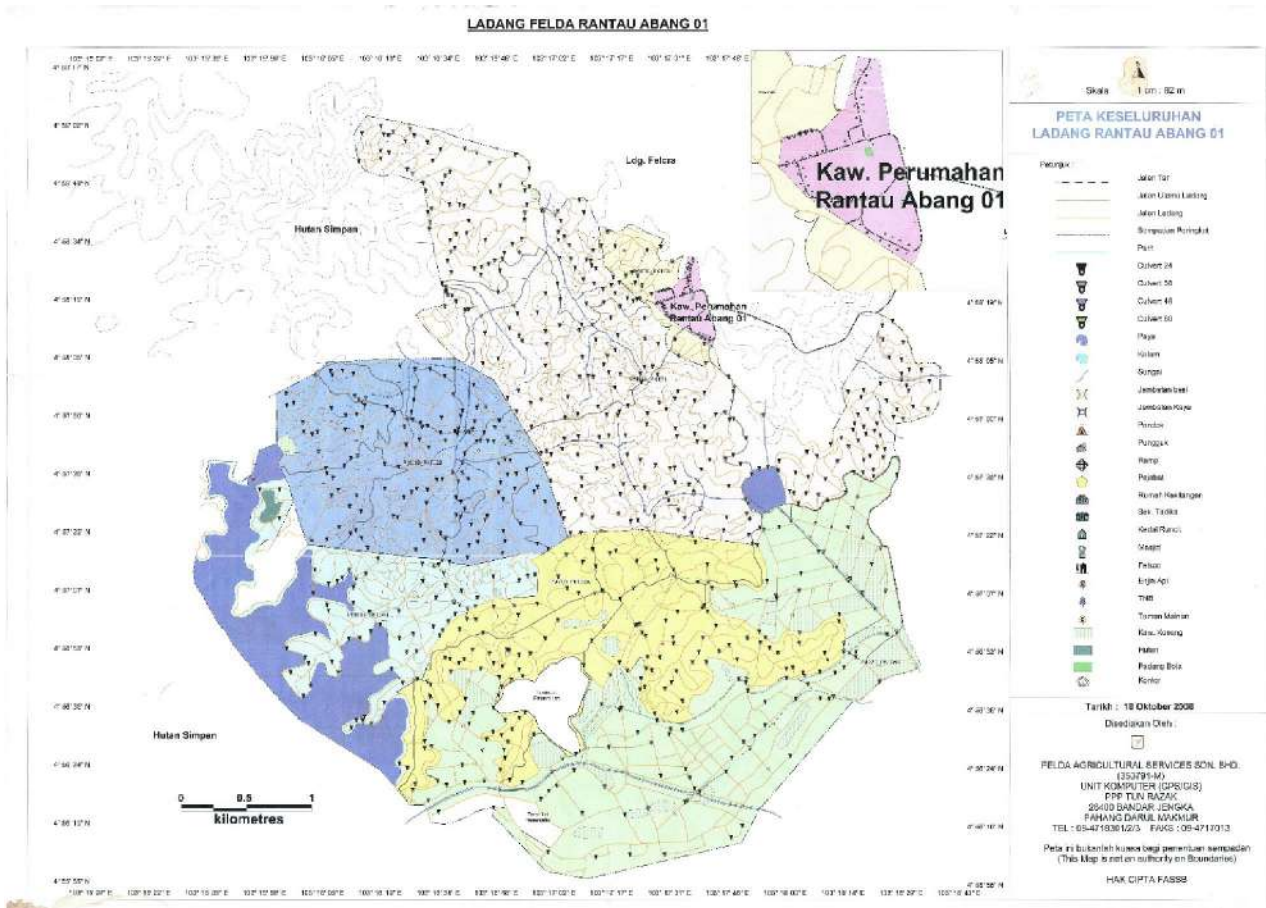
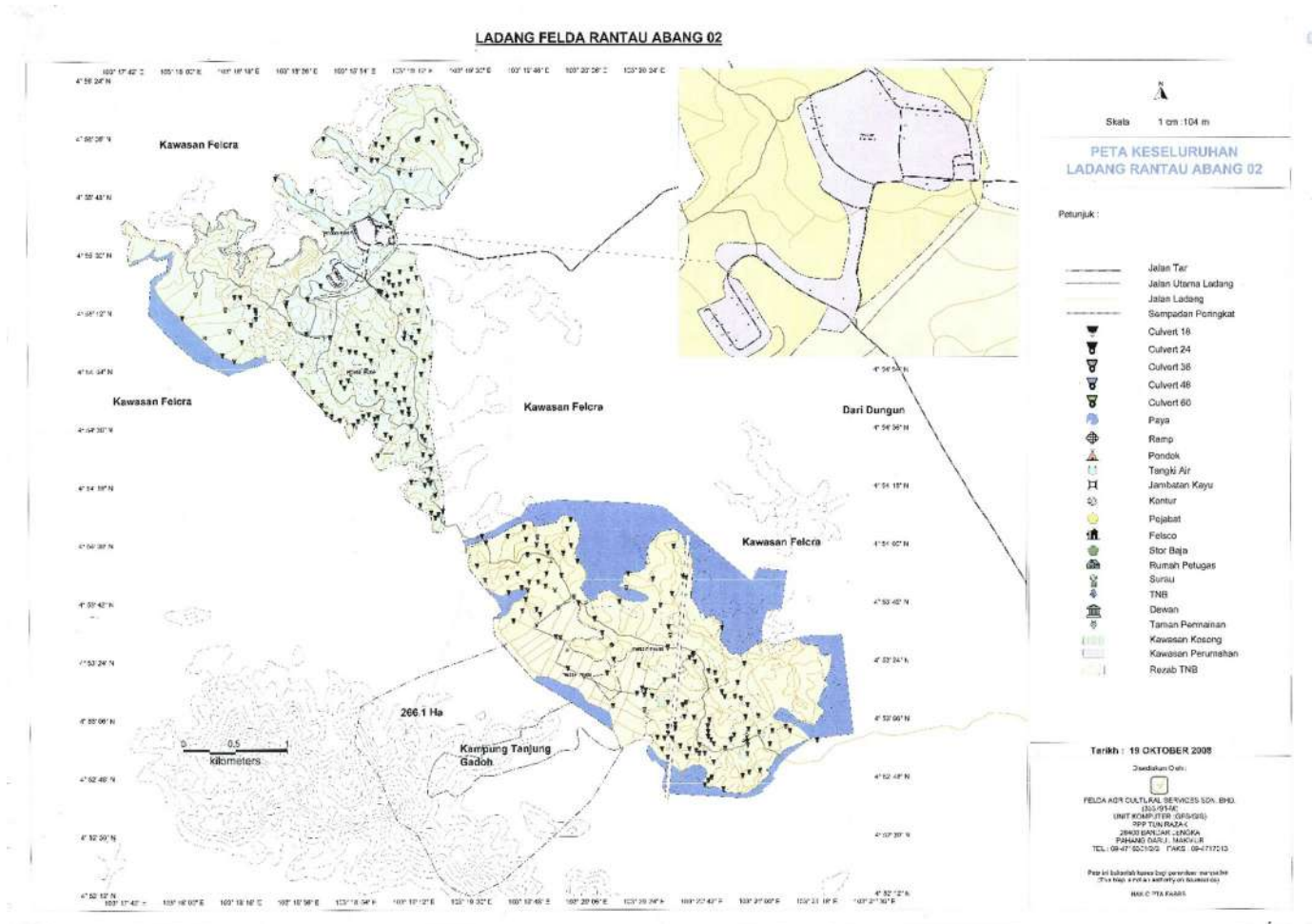


Figure 4. Operational Map of Rantau Abang 02 Estate



Abbreviations Used

ASA	: Annual Surveillance Assesment	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	OSH	: Occupational Safety and Health
CHRA	: Chemical Health Risk Assesment	P&D	: Pest and Disease
CPO	: Crude Palm Oil	PIC	: Person in Charge
CSPK	: Certified Sustainable Palm Kernel	PK	: Palm Kernel
CSPO	: Certified Sustainable Palm Oil	POM	: Palm Oil Mill
EFB	: Empty Fruit Bunch	POME	: Palm Oil Mill Effluent
EIA	: Enviromental Impact Analysis	PPE	: Personal Protection Equipment
EMP	: Enviromental Management Plant	R&D	: Research and Development
eRML	: <i>Estate-Rangkaian Maklumat Ladang</i> (Estate Information Connection)	RM	: Ringgit Malaysia (Malaysia currency)
		RTE	: Rare, threat, Endangered
ETL	: Economic Threshold Level	MB	: Mass Balance
FASSB	: Felda Agriculture Services Sdn. Bhd.	MLSL	: Manual Ladang Sawit Lestari
FFB	: Fresh Fruit Bunch	RSPO	: Rountable Suistanable palm Oil
FGVPM	: Felda Global Ventures Plantations Malaysia	RTE	: Rear Threatened & Endangered
FPISB	: Felda Palm Industries Sdn Bhd	SC	: Supply Chain
FPTSB or FTP	: Felda Technoplant Plantation Sdn. Bhd.	SCCS	: Supply Chain Certification System
FTPM	: Felda Techno Plant Malaysia	Sdn. Bhd.	: Sendirian Berhad (non-public company)
GHG	: Green House Gasses	SDS	: Safety Data Sheet
GPS	: Global Position System	SED	: Department of Sustainability & Environment
HCV	: High Conservation Value	SIA	: Social Impact Assesment
HIRADC	: Hazard Identification Risk Assessment Determining Control	SK	: <i>Sekolah Kebangsaan</i> (National School)
IPM	: Integrated Pest Management	SKB	: <i>Sistem Komputer Berintegrasi</i> (Integrated Computer System)
KER	: Kernel Extraction Rate	SOP	: Standard of Procedure
KKD	: <i>Kelab Keluarga Dayabudi</i>	SPK	: <i>Surat Perjanjian Kerja</i> (Work Agreement Letter)
LCC	: Legume Cover Crop	ST-2	: Stage - 2
LD	: Lethal Dosage	WHO	: World Health Organization
LSL	: Ladang Sawit Lestari	WTP	: Water Treatment Plan
MPOB	: Malaysian Palm Oil Board		
NGO	: Non Government Organization		
OER	: Oil Extraction Rate		
OFI	: Opportunity For Improvement		
OSH	: Occupational Safety and Health		

1.0	SCOPE of the CERTIFICATION ASSESSMENT	
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • Malaysian National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production. Endorsed by RSPO Board of Governors 6 March 2015. • RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill) • RSPO Certification System for Principles and Criteria, 14 June 2017
1.2	Organisation Information	
1.2.1	Organisation 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	<p>RSPO Registered Company FELDA GLOBAL VENTURES HOLDINGS BERHAD Level 21, Wisma FGV, Jalan Raja Laut, Kuala Lumpur, Kuala Lumpur, 50350 Malaysia</p> <p>Plantation Sustainability Department (PSD) Level 20, West Wing, Wisma FGV Jalan Raja Laut, Kuala Lumpur, Kuala Lumpur, 50350 Malaysia</p>
1.2.4	Telephone	(+ 603) – 2789 0000
1.2.5	Fax	(+ 603) – 2789 0001
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: Kilang Sawit Jerangau Baru, Rantau Abang 01 Estate, Rantau Abang 02 Estate and Chador 01 Estate
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

	Jerangau Baru	Felda Palm Industries Sdn Bhd, Kilang Sawit Jerangau Baru, 21820 Ajil, Terengganu, Malaysia	N 04° 56' 03"	E 103° 11' 04"
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	FGVP (M) Rantau Abang 01	Ladang Rantau Abang 01, 21610 Merchang, Marang, Terengganu, Malaysia	N 04° 58' 21"	E 103° 17' 35"
	FGVP (M) Rantau Abang 02	Kampung Jambu Bongkok, 21610 Merchang, Marang, Terengganu, Malaysia	N 04° 55' 34"	E 103° 19' 8"
	FGVP (M) Chador 01	Ladang Felda Chador 01, Wakil Pos Bukit Bading, 21810 Anjil, Terengganu, Malaysia	N 05° 02' 49"	E 103° 10' 26"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		6,181.62	Ha
	• Community			Ha
1.5.2	Area Statement			
	• Total area		6,181.62	Ha
	• Mature area		3,944.96	Ha
	• Immature area		853.60	Ha
	• Mill		26.24	Ha
	• Emplishment		130.42	Ha
	• Infrastructure		379.62	Ha
	• Others area (reserved area)		822.16	Ha
	• Swamp and reservoir		24.62	Ha
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		FGVPM Chador 01	FGVPM Rantau Abang 01	FGVPM Rantau Abang 02
	1987	-	243.45	400.29
	1988	-	229.61	344.95
	1990	560.59	-	-
	1992	-	-	99.33
	1993	27.57	-	76.73
	1996	-	28.55	-
	1998	-	457.91	-
	2006	150.69	-	-
	2012	367.42	-	-

	2013	432.95	-	137.64	570.59		
	2014	387.28	-	-	387.28		
	Sub Total Mature	1,926.5	959.52	1,058.94	3,944.96		
	2016	-	272.37	-	272.37		
	2017	328.80	252.43	-	581.23		
	Sub Total Immature	328.80	524.80	-	853.60		
	TOTAL	2,255.30	1,484.32	1,058.94	4,798.56		
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 (%)
	Jerangau Baru	30	107,550	20,027.21	18.62	5,868.49	5.46
	* Production data source from 12 months before assessment (July 2017 – June 2018)						
	* Deposit process to other mill as many as 2,789.68 tons						
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/y ear)	Supplied to Mill	
						FFB (tonnes/year)	%
	FGVP(M) Chador 01	2,786.18	2,255.30	12,195.70	5.41	12,195.70	100.00
	FGVP(M) Rantau Abang 01	1,959.94	1,484.32	15,667.21	10.56	13,979.02	89.22
	FGVP(M) Rantau Abang 02	1,435.50	1,058.94	12,311.00	11.63	9,495.31	77.13
	TOTAL	6,181.62	4,798.56	40,173.91	8.37	35,670.03	88.79
	* Production data source from 12 months before assessment (July 2017 – June 2018)						
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)		
	Third party supplier (Non-certified)	Independent outgrower and smallholders	-	-	74,829.90		
	TOTAL						74,829.90
	* Source Production Data on 12 months before assessment (July 2017 – June 2018)						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim to		Actual certified product to		
			(tonnes/year)		(tonnes/year)		
	• FFB Production		-		-		

	<ul style="list-style-type: none"> CPO Production Palm Kernel (PK) Production 	-	-	-				
	<i>*Will be verified during 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)						
	<ul style="list-style-type: none"> CSP0 sold as RSPO certified product CSPK sold as RSPO certified product CSP0 sold under other scheme CSPK sold under other scheme CSP0 sold as conventional CSPK sold as conventional 	-	-	-				
	<i>*Will be verified during 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)			
	FGVP(M) Chador 01	2,786.18	2,255.30	12,805	5.68			
	FGVP(M) Rantau Abang 01	1,959.94	1,484.32	16,451	11.08			
	FGVP(M) Rantau Abang 02	1,435.50	1,058.94	12,927	12.21			
	TOTAL	6,181.62	4,798.56	42,183	8.79			
	<i>*Projected FFB production for 21 September 2018 to 20 September 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 (%)	
	Jerangau Baru	30	42,183	8,015	19	2,320	5.5	MB
	<i>*Projected CSPO and CSPK production for 21 September 2018 to 20 September 2019</i>							
1.9	Other Certifications							
	ISO 9001:2008			ISO 9001: 2015 Certificate No. QMS 03093 issued on 24 February 2017 - 11 August 2019				
	ISO 14001: 2004			ISO 14001:2004 Certificate No. EMS 00769 issued on 24 February 2017 - 14 September 2019				
	OHSAS 18001:2007			OHSAS 18001:2007 Certificate No. OHS 00691 issued on 24 February 2017-23 February 2020				
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 Plan						
	Selancar 2B	2017	FGVP(M) Selancar 6 FGVP(M) Selancar 8 FGVP(M) Selancar 9	2017	Malaysia	Certified		
	Lepar Hilir	2017	FGVP(M) Lepar Hilir 5 FGVP(M) Lepar Hilir 6	2017	Malaysia	Certified		

		FGVP(M) Lepar Hilir 8			
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	2017	Malaysia	Certified
Kechau B	2017	FGVP(M) Kechau 6 FGVP(M) Kechau 8 FGVP(M) Kechau 9 FGVP(M) Kechau 10	2017	Malaysia	Audited
Bukit Sagu	2017	FGVP(M) Bukit Sagu 4 FGVP(M) Bukit Sagu 6 FGVP(M) Bukit Sagu 7 FGVP(M) Bukit Sagu 8	2017	Malaysia	Certified
Keratong 09	2017	FGVP(M) Bera Selatan 5 FGVP(M) Bera Selatan 7 FGVP(M) Merchong FGVP(M) Keratong Timur FASSB Merchong	2017	Malaysia	Certified
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	Malaysia	Certified
Besout	2017	FGVP(M) Besout 6, FGVP(M) Besout 7	2017	Malaysia	Peer review
Kemasul	2017	FGVP(M) Mengkarak 1 FGVP(M) Mengkarak 2	2017	Malaysia	Certified
Triang	2017	FGVP(M) Triang 2 FGVP(M) Triang Selatan 1 FGVP(M) Triang 4	2017	Malaysia	Audited
Maokil	2017	FGVP(M) Maokil 6 FGVP(M) Maokil 7	2017	Malaysia	Certified
Palong Timur	2017	FGVP(M) Palong Timur 4/5 FGVP(M) PALONG TIMUR 06	2017	Malaysia	Audited
Selendang	2017	FGVP(M) Selendang 3 FGVP(M) Selendang 4 FGVP(M) Selendang 5 FGVP(M) Berabong 1	2017	Malaysia	Certified
Krau	2017	FGVP(M) Krau 2 FGVP(M) Krau 4	2017	Malaysia	Certified
Tenggaroh Timur	2019	FGVP(M) Tenggaroh 12 FGVP(M) Tenggaroh Timur 2	2019	Malaysia	Internal audit
Chini 3	2018	FGVP(M) Terapai 1 FGVP(M) Chini Timur 4	2018	Malaysia	Public consultation
Nitar	2018	FGVP(M) Nitar Timur	2018	Malaysia	
Jerangau Baru	2018	FGVP(M) Rantau Abang 1 FGVP(M) Rantau Abang 2 FGVP(M) Chador 1	2018	Malaysia	
Serting Hilir	2018	FGVP(M) Tembangau 3	2018	Malaysia	Audited

		FGVP(M) Tembangau 5 FGVP(M) Tembangau 6 FGVP(M) Tembangau 7 FGVP(M) Tembangau 8 FGVP(M) Tembangau 9 FASSB Serting Hilir			
Serting	2018	FGVP(M) Palong 17 FGVP(M) Palong 18 FGVP(M) Palong 21	2018	Malaysia	Certified
Kota Gelanggi	2018	FASSB PPPTR FASSB Kota Gelanggi 5/6	2018	Malaysia	
Kerteh	2018	FASSB Kerteh FASSB Semaring 01	2018	Malaysia	
Neram	2018	FGVP(M) Cherul 03	2018	Malaysia	
Keratong 3	2018	FGVP(M) Keratong 11	2018	Malaysia	
Tenggaroh	2018	FGVP(M) Tenggaroh 9 FGVP(M) Tenggaroh 11 FGVP(M) Tenggaroh 13	2018	Malaysia	
Chiku	2018	FGVP(M) Ciku 4 FGVP(M) Ciku 8	2018	Malaysia	
Keratong 2	2018	FGVP(M) Bera Selatan 3	2018	Malaysia	
Jengka 21	2018	FASSB Jengka 24/25	2018	Malaysia	
Adela	2018	FGVP(M) Kledang 02	2018	Malaysia	
Bukit Kepayang	2018	FGVP(M) Terapai 3	2018	Malaysia	
Belitong	2018	FASSB Ulu Belitong FGVP(M) Bukit Tongkat B	2018	Malaysia	
Kulai	2018	FASSB Bukit Besar/Taib Andak	2018	Malaysia	
Penggeli	2018	FGVP(M) Inas Selatan	2018	Malaysia	
Chalok	2018	FGVP(M) Setiu 1	2018	Malaysia	
Tementi	2018	FGVP(M) Bera Selatan 1 FGVP(M) Bera Selatan 4	2018	Malaysia	
Kalabakan	2019	FGVP(M) Kalabakan Utara 1 FGVP(M) Kalabakan Tengah 1 FGVP(M) Kalabakan Selatan	2019	Malaysia	
Kembara Sakti	2019	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	Malaysia	
Nilam Permata	2019	FGVP(M) Sahabat 50 FGVP(M) Sahabat 51 FGVP(M) Sahabat 52 FGVP(M) Sahabat 53 FGVP(M) Sahabat 54	2019	Malaysia	
Hampanan 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	2019	Malaysia	

		FGVP(M) Sahabat 34 FASSB Tambisan			
Mercu Puspita	2019	FGVP(M) Sahabat 7 FGVP(M) Sahabat 46 FGVP(M) Sahabat 48 FASSB Sahabat 6	2019	Malaysia	
Lancang Kemudi	2019	FGVP(M) Sahabat 10 FGVP(M) Sahabat 36 FGVP(M) Sahabat 38 FGVP(M) Sahabat 39 FGVP(M) Sahabat 44 FGVP(M) Sahabat 45	2019	Malaysia	
Pontian United Plantation	2019	Pontian Fico Pontian Subok Pontian Orico Pontian Pendirosa Pontian Kuril Pontian Hilco Rawajaya Sdn Bhd Blossom Plantation Sdn Bhd	2019	Malaysia	
2Embara Budi	2019	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	Malaysia	
Baiduri Ayu	2019	FGVP(M) Sahabat 9 FGVP(M) Sahabat 16 FGVP(M) Sahabat 55	2019	Malaysia	
Umas	2019	FGVP(M) Umas 5 FGVP(M) Umas 6	2019	Malaysia	
Sampadi	2019	FGVP(M) Sampadi 1 FGVP(M) Sampadi 3 FGVP(M) Sampadi 4 FGVP(M) Sampadi 5 FGVP(M) Sampadi 6	2019	Malaysia	
Bukit Mendi	2019	Felda Settlers	2019	Malaysia	
Jengka 8	2019	Felda Settlers	2019	Malaysia	
Jengka 18	2019	Felda Settlers	2019	Malaysia	
Jengka 3	2019	Felda Settlers	2019	Malaysia	
Padang Piol	2019	Felda Settlers	2019	Malaysia	
Sg. Tenggi	2019	Felda Settlers	2019	Malaysia	
Mempaga	2019	Felda Settlers	2019	Malaysia	
Pasoh	2020	Felda Settlers	2020	Malaysia	
Kemahang	2020	Felda Settlers	2020	Malaysia	
Tersang	2020	Felda Settlers	2020	Malaysia	
Selancar 2A	2020	Felda Settlers	2020	Malaysia	
Chini 2	2020	Felda Settlers	2020	Malaysia	

Trolak	2020	Felda Settlers	2020	Malaysia	
Semenchu	2020	Felda Settlers	2020	Malaysia	
Jerangau Barat	2020	Felda Settlers	2020	Malaysia	
Panching	2020	Felda Settlers	2020	Malaysia	
Bukit Besar	2020	Felda Settlers	2020	Malaysia	
Kahang	2020	Felda Settlers	2020	Malaysia	
Waha	2020	Felda Settlers	2020	Malaysia	
Air Tawar	2020	Felda Settlers	2020	Malaysia	
Lok Heng	2020	Felda Settlers	2020	Malaysia	
FGV Asian Plantation Milling Plantation	2021	Inco Setia Sdn Bhd Kronos Plantation Sdn Bhd Fortune Plantation Sdn Bhd BJ Corporatio Sdn Bhd	2021	Malaysia	
FGV Yapid MAS (Golden Land)	2021	15 Estate : Sri Kehuma Yapidmas AE Tanah Emas Corporation 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 Temilia Agro Abadi	2021	PT Temila Agro Abadi Estate	2021	Indonesia	
FGV Estates without FGV Mill	2021	FGVP(M) Paloh Estate FGVP(M) Tawai 1 FGVP(M) Lawin Tengah	2021	Indonesia	
Based on time bound plan on 2017, total mill that FGVP (M) have 68 mills and 9 has had certified (KS Lepar Utara 04 and KS Bukit Besar will involve in rationalization). In 2018 FGVP (M) plans to conduct RSPO certification process (Initial Assessment) for 13 mill. The progress of certification process will be observed on next assessment					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	There is no associated smallholder and out-grower under FGVP – Jerangau Baru Complex				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ST-2	<p>1. Muhammad Rinaldi (Lead Auditor). Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2007. He has attended training RSPO Lead Auditor, training of Auditor ISPO, SCCS training, training of Lead Auditor ISO 9001-2008, training of ISO 14000, training of HCV identification, training of OHS system management, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare and has conducted audits in Malaysia since 2017. During this audit, he verify legality, land dispute, worker welfare, and supply chain.</p> <p>2. Sandra Purba (Auditor). Indonesia Citizen, Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, SCCS training, GHG vericator and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course, auditor of RSPO Next and SCCS LA training. Involve in many audit activities of similar scheme (ISPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare and has conducted audits in Malaysia since 2017. During this audit, she verify environment, HCV, and social</p> <p>3. Asystasya Aishah Silalahi (Auditor). Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, SCCS training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, and several in house training related to environmental, BMP, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verified Transparency, Long Term Business, Best Management Practices, and OHS aspect</p>
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 auditor Number of days for ST-2 at site : 4 days Number of working days for ST-2 at site : 12 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 Jerangau Baru POM and its supply bases 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, revised on June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ST-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ST-2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ST-2.</p> <p>The assessment program please find Appendix 2</p>

2.2.3	Locations of Assessment
ST-2	<p>Jerangau Baru POM</p> <ul style="list-style-type: none"> • Housing complex. Field observation related to facilities for worker. • Landfill. Field observation related to management of domestic waste. • Weighbridge Station. Observation of supply chain procedure. • Hazardous waste warehouse. Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse. • Solid Waste. Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill. • Mill Drainage / monson drain. Observations mill effluent lines, sanitation mill and flow of leaching mill. • WWTP. Field observations related to Ban to entry to WWTP, run off, testing of effluent. Officers equipped with PPE and Recording of effluent debit effluent. • Chemical material warehouse. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health. • Hydrant. Checking of facility of emergency • Loading Ramp. Observation on FFB grading mechanism and interview related implementation of OHS and labor welfare. • Processing Station (Sterilizer, Thresher, Press, Kernel Station, Clarificataion, and Storage Tank). Observation and interview on procedure implementation, safety dan worker welfare aspect <p>Chador 1</p> <ul style="list-style-type: none"> • Landfill. Field observation related to management of domestic waste. • Block 11. Observation to riparian of Chador River • Block 29. Observation to estate boundary with “<i>Hutan Simpan</i>” • Block 01. Observation related to replanting area and management at slope area • Block 2 & 4. Observation to estate boundary with community land • Housing of Spraying System. Field observations related storage of PPE and handling hazardous materials and toxic waste. • Spent container storage. Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse. • Fertilizer Store. Observations relating to the implementation of hazardous material storage, OHS, training and labor management. • Pesticide Store. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health. • Mixing area. Observation of chemical management, the MSDS are available on place, interview with the personnel in charge regarding to the procedure implementation and OHS aspect • Fire Fighting Equipment Storage. Simulation the function of fire extinguishers and team readiness. • Linesite / housing Area. Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, domestic wastemanagement, childcare and sports facilities. • Fuel tank. Observsation on OHS and emergency preparedness facility. • Creche and Tabika. Observation and interview regarding to employment aspect and facility of workers. • Land fill. Observation regarding to domestic waste management • Harvesting Block 26. Observation and interview on procedure implementation, safety dan worker welfare aspect • Spraying activities Block 27. Observation and interview on procedure implementation, safety dan worker welfare aspect. • Barn owl box Block 13.

Rantau Abang 01

- **Block 5.** Observation to boundary marker no 8, 9 and 10
- **Block 4/5.** Observation to reserve area in the form of swamp areas.
- **Harvesting activities Block 14.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
- **Spraying activities Block 6.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
- **Manuring activites Blok PM02D.** Observation and interview on procedure implementation, safety dan worker welfare aspect

Rantau Abang 2

- **Fertilizer Store.** Observations relating to the implementation of hazardous material storage, OHS, training and labor management.
- **Pesticide Store.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Mixing area.** Observation of chemical management, the MSDS are available on place, interview with the personnel in charge regarding to the procedure implementation and OHS aspect
- **Linesite / housing Area.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, domestic wastemanagement, childcare and sports facilities.
- **Licensed fuel storage.** Observsation on OHS and emergency preparedness facility.
- **PPE store for spraying team.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Crèche facilities and Tadika.** Observation and interview regarding to employment aspect and facility of workers.
- **Land fill.** Observation regarding to domestic waste management

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ST-2	<p>Consultation of stakeholders for Jerangau Baru POM, FGVP(M) held by:</p> <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com and www.rspo.org on June, 12th 2018 2. Public consultation by interview with representative of SK Pasir Puteh, Jambu Bongkok on July 24th, 2018. 3. Consultation meeting and interview with Internal Stakeholder (Gender committee, FFB Contractor, & Foreign Workers Representative) on July 24th, 2018. 4. Consultation with NGO (Suhakam-National Human Rights Society, NUPW –National Union of Plantation Worker, Traffic - the wildlife trade monitoring network, & Malaysian Environmental NGOs – MENGO) via email on July 11th, 2018. <p>Numbers of input from stakeholders were clarified by Jerangau Baru POM, FGVP(M).</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 8 – 12 months after the certificate issued.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Jerangau Baru Mill– Felda Palm Industries Sdn Bhd subsidiary of Felda Global Ventures Plantation (Malaysia) Sdn Bhd consisting of one (1) mill and three (3) oil palm estates

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators; two (2) nonconformities were assigned against Minor Compliance Indicators; and six (6) 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 action(s) taken that consist of two (2) Major non-conformity(s) had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that the requirements of National Interpretation of RSPO Principles and Criteria for Jerangau Baru POM, Felda Global Ventures Plantation (Malaysia) Sdn Bhd complied with Sustainable Palm Oil Production. Endorsed by RSPO Board of Governors 6 March 2015 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 2017

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 & 1.1.2. The Company shows the latest list of stakeholders as many as 39 stakeholders consisting of hospital, clinic, village, governmental offices and others.</p> <p>Mechanism for consultation is listed in Procedure of Communication, Involvement, and Negotiation (FPI/L2/QOHSE-6.0) effective on 2nd January 2018. The purpose of this Procedure is to provide an impressive communication system between company with internal and external parties of the plantation and due to quality requirements, aspects & impacts of the natural surroundings, hazards and risks, social aspects and achievements during these purpose. Based on this procedure, information provided for stakeholder such as work accident report, annual report, online environmental reporting, hazardous waste report, and so on.</p> <p>The procedure has socialized to stakeholder of Jerangau Baru, Jerangau Barat, and Kerteh Complex on 10th July 2018. Based on interview with related stakeholder, mentioned that they are aware regarding to the mechanism of request of information.</p> <p>The PIC of communication is appointed for each estates and mill through appointed letter. All communication from external stakeholder will be recorded in “<i>Buku Rekod Maklum Balas</i>” for all unit. Period of respond the incoming letter is 2 weeks. Based on document review of communication record, for 2018 there are no request for information, but there is a request for social assistance such as:</p> <ul style="list-style-type: none"> • Letter on 8th April 2018 form SK Pasir Puteh 21610 Mercheng, Terengganu for bus lending request and responded on 10th April 2018. 	

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.

The Company has list of document that can be accessed publicly. The public documents, such as environmental document, continuous improvement document, licensing includes land use title and decree of land use title, OHS, and social reports, details of complaint, OHS program, and Human right policy and so on. These documents are available in estate and mill office. The list of public document is listed in document no F/SMART/UMUM/SADV/004/003 updated on 3rd January 2018.

Status: Comply

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

1.3.1.

The company has a code of conduct signed by President Director dated on June 1st, 2014 such as:

- Rejecting corrupt practices and breaking the trust.
- Avoid any conflict of interest.
- Conducting business management honestly and fairly.
- Protect confidentiality of information.
- Improve the level of professionalism.

There is Collective Letter Agreement between FELDA Palm Industries Sdn Bhd and the union of FELDA Palm Industries SDN BHD Peninsular in article 41 described on code of conduct and ethics. There is a collective agreement book (CLA) receipt between FELDA PALM Industries SDN BHD with workers union 2016-2018. For example, dated November 18th, 2017 to boiler operator and technical machine.

Contractors and the employees confirmed aware regarding to the policy, it was based on interview during field visit and public consultation. Besides, the policy been listed in booklet which distributed to the contractors and displayed in the company' website.

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:

Jerangau Baru Mill

- **Jerangau Baru Mill** → has had MPOB License No. 515614004000 for activity Selling and Transferring (PK, CPO, SPO), Selling and Transferring (FFB), Store (PK, CPO, SPO) and Processing (FFB)" that signed by *Ketua Pengarah Lembaga Minyak Malaysia* since January 26th 2018. This license valid since January 26th 2018 until September 30th 2018.
- **Jerangau Baru Mill** → "*Permit Barang Kawalan Berjadual*" (Diesel 16,500 ltr) No. Certificate T009343 from Timbalan Pengawal Bekalan refer to B.PGK.TR.007/6/4-371 (DS 325) with supplier name Petronas Dagangan Berhad. This license valid since January 16th 2017 until January 15th 2018.
- **License permit for the mill:** Felda Palm Industris Sdn Bhd Kilang Sawit Jerangau by Department of Environmental Malaysia (DOE) / **Jadwal Pematuhan number license 004065 dated June 20th 2018, validity period from: July 1st 2018 to June 30th 2019 with Capacity Maximum: 30 MT/Hours.**
- Certified Environmental Professionnal in the Treatment of Palm Oil Mill Effluent – Pond Process/CEPPOME (Certificate Number: CePPOME/15012) from Environmental Institution of Malaysia in concern to Ahmad Zulkhairi Bin Muhamad (880115 – 06 – 5735) valid since August 11th 2015 until August 15th 2016. The management has received email from DOE staff on May 3rd 2018 for an interview during 21 – 24 May 2018. Final result of CEPPOME certificate will be verify in the next assessment. **OFI**

- **Has have Boiler Engineer License for example:**
- Number 03814 in concern to Zakaria Bin Abdullah dated on February 24th 2016 as Grade Two Boiler Operator.
- Number 020354 in concern to Zulkifli Bin Abdul Rahman dated on August 24th 1998 as Grade One Boiler Operator.
- **Has have Confined Space License for example:**
- Number NW-NCC-AE-R-1643-C to Fikri, expiry date 06/06/2019, issued by NIOSH Malaysia
- Number NW-NCC-AE-R-1436-C to ABD Naim, expiry date 26/04/2019 by NIOSH Malaysia
- The Jerangau Baru mill has not obtained the fire certificate. However, the management has presented a management plan for the fire system installation that applicable all the mills which under the administration of FPISB. Based on the plan (As-Built Drawing, Architect Drawing, M&E Drawing) the mill scheduled for an inspection in 2023 and the Fire Fighting System (Date of Commencement) will be in 2024. **OFI**
- Machinery inspection has been conducted by DOE staff (En. Noordzwani Bin Mohd. Nawi and Mohd. K. Hameid) on May 2nd 2018 and now on progress. Additional information will be verify next audit.
- Jerangau Baru Mill has conducted noise monitoring assessment on January 20th 2018 that assessing, reported and explained by Medical & Occupational Health Dr. Syed Badaruddin Syed Ali (HQ/08/DOC/00/17).
- Permit to Purchase, Store and use of Sodium Hydroxide No. T00042/2018 dated on 01 January 2018 with total quantity of 2500 Kg liquid.
- The Factories and Machinery Act, 1967, Certificate of “*Pengakuan Kelayakan Dandang*” No PMD-TG/17 03617 issued dated on 08/07/2017, expired dated on 10 August 2018.
- The Factories and Machinery Act, 1967, Certificate of “*Pengakuan Kelayakan Pengandung Tekanan Tak Berapi* (register No. TG PMT 2196)” No PMD-TG/17 03625 issued dated on 08/07/2017, expired dated on 10 August 2018.
- The Factories and Machinery Act, 1967, Certificate of “*Pengakuan Kelayakan Pengandung Tekanan Tak Berapi* (register No. TG PMT 1414)” No PMD-TG/17 03624 issued dated on 08/07/2017, expired dated on 10 August 2018.
- The Factories and Machinery Act, 1967, Certificate of “*Pengakuan Kelayakan Pengandung Tekanan Tak Berapi* (register No. TG PMT 5695)” No PMD-TG/17 03629 issued dated on 08/07/2017, expired dated on 10 August 2018.
- License of Penjaga Jentera with No. PJ-T-B-0211-2008 dated on 28-11-2008 to Mohamad Bin Ali with category “A4” in accordance with “*Akta Bekalan Elektrik 1990*”
- License of Penjaga Jentera with No. PJ-T-1-B-0242-2014 dated on 16-01-2014 to Anuar Bin Zakaria with category “A0” in accordance with “*Akta Bekalan Elektrik 1990*”
- Anuar bin Mohd. Noor has attended the Certified Environmental Professional in Waste Management (CePSWaM) in 02-07/07/18 and has a timeline until May 2019 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. -> **OFI**
- Jerangau Baru Mill has conducted noise monitoring assessment on 20/01/18 that assessing, reported and explained by Medical & Occupational Health Dr. Syed Badaruddin Syed Ali (HQ/08/DOC/00/17).
- Sighted the annual & baseline audiometric re-testing results for hearing impairment / STS which was done on 28/04/18.
- Quarterly Return Form as per First Schedule of the EQ (Prescribed Premises) (Crude Palm-Oil) Regulations, 1977 – report to DOE sighted for 2nd Q 2018 [ref. AS(B)T 31/152/000/019. Total CPO produced 1185.41 MT / total FFB processed 6063 MT and total water consumed 5633.75 cubic meter(m³).
- As required by Second Schedule, regulation 13 of EQA (Clean Air 2014) the air emission monitoring [Drum Water Tube Boiler 1 – BS 1113-1998, 4M meter height, 1.8 meter in diameter, manufactured on 2007] was done by Triple A EHS Solution [STK/JBaru/17/002]. The final reading reported [concentration of total particulate matter] for boiler 1 was 144/150 mg/m³.

Chador 01

- **Chador 01** → has had MPOB License No. 562260002000 for activity selling and transferring FFB that signed by *Ketua Pengarah Lembaga Minyak Malaysia* since April 23th 2018. This license period valid during July 1st 2018 until June 30th 2019 for 2,522.5 Ha. (Planted area is 2255.30 Ha). Estate are encourage to make sure the total areal on the MPOB License. **OFI**
- **Chador** → “*Permit Barang Kawalan Berjadual*” (Diesel 8,200 ltr and Petrol 720 L) No. Certificate T007264 from *Timbalan*

Pengawal Bekalan refer to B.PGK.TR.007/6/4-449 (374) with supplier name Petronas Dagangan Berhad. This license valid since May 6th 2018 until May 5th 2019.

- There is a work permit for foreign workers in the form of Malaysia Immigration Single Entry Visa, for example a worker on behalf of Sattar Abdus from Bangladesh with Visa No. PE0775640 validity period until March 22, 2019.

Rantau Abang 01

- **Rantau Abang 01** → has had MPOB License No. 559820002000 for activity selling and transferring FFB that signed by *Ketua Pengarah Lembaga Minyak Malaysia* since January 25th 2018. This license period valid during April 1st 2018 until March 31st 2019 for 2,770.74 Ha. (Planted area is 1484.32 Ha). Estate are encourage to make sure the total areal on the MPOB License. **OFI**
- **Rantau Abang 01** → “*Permit Barang Kawalan Berjadual*” (Diesel 10,000 ltr) No. Certificate T005941 from *Timbalan Pengawal Bekalan* refer to TR/DGN/05/11 SKD with supplier name Petronas Dagangan Berhad. This license valid since June 6th 2017 until June 5th 2018. Process of permit extension has been made through by BLISS website.
- Permit for Paraquat Dichloride [Action 13SL] as required by Poison Act 1974 (Borang C – Class 1B] valid till 31/01/19

Rantau Abang 02

- **Rantau Abang 02** → has had MPOB License No. 616086002000 for activity selling and transferring FFB that signed by *Ketua Pengarah Lembaga Minyak Malaysia* since December 6th 2017. This license period valid during January 1st 2018 until December 31st 2018 for 1,435.5 Ha. (Planted area is 1,568.34 Ha). Estate are encourage to make sure the total areal on the MPOB License. **OFI**
- **Rantau Abang 02** → Based on interview, this estate does not have skid tank due to near with oil station. However, in the estate has temporary storage for fuel (Diesel and Petrol). The estate has have Letter of “*Kebenaran Sementara membeli Minyak Petrol dan Diesel untuk Kegunaan Pejabat di Ladang Rantau Abang 02*” (No. KPDNKK(TR)900/4/7 dated on 15 April 2018, expired dated on 14 October 2018)” from *Kementerian Perdagangan Dalam Negeri* that explained estate can purchase petrol and diesel oil at MNAAB Enterprise's Lotus Station, Lot No. 1438, Bangkok Village with 400 liter petrol for 2 times a month purchases and 600 liters of diesel for three times purchases a month.

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. It updating by PSD Department. All legal requirement aspect has been audited, reviewed and updated during January to April 2018 in each unit.

2.1.4

FGV already has procedures for changes / update of legislation in “*Prosedur Undang-Undang dan Keperluan Lainnya (FGV/ML-1A/L2-Pr6; No isu 1; 1 June 2016)*”. 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.

Status: Comply

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

The land comes from Felda Plantations, there is a Letter of Declaration on the Area of the Felda Fields that Is Operate by FPSB (FGV) on July 2005 (No. (11) 26/01-01-01Pt.1 (M Luas 2006) dated June 29, 2006.

There is a “*Surat Pemberian Hak Tanah Kepada Lembaga Kemajuan Tanah Persekutuan (Felda) untuk dikendalikan Secara Ladang*”

Komersial" No. PTG.TR. 00/42/1995 / C / 002 / 01- (44) dated April 18, 2011 with a 60-year usage period from *Pejabat Pengarah Tanah Dan Galian Terengganu*. There are also has "*Peta Pelan*" from licensed mapping consultant (MSC Sdn. Bhd) as the basis for the land use location.

Chador Estate

Chador Estate has shown document of "*Laporan Maklumat Asas Peringkat*" that informed total area is **2,759.94 Ha** and planted area is 2,255.30 Ha.

Rantau Abang 2 Estate

Chador Estate has shown document of "*Laporan Maklumat Asas Peringkat*" that informed total area keliling **1,435.50 Ha** and planted area is 1,058.94 Ha.

Rantau Abang 1 Estate

Chador Estate has shown document of "*Laporan Maklumat Asas Peringkat*" that informed total area keliling **1,959.94 Ha** and planted area is 1,484.32 Ha.

Kilang Sawit Jerangau Baru

Jerangau Baru has shown the document of "*hak milik sementara*" with the total area of **26.24 Ha**.

Based on the review of operational map documents, it is known that the Chador 01, Rantau Abang 01, and Rantau Abang 02 areas are still in accordance with the "*Peta Pelan*" from MSC (licensed mapping consultants) and field visits result, no discrepancy in the cultivated area against land title area.

2.2.2

The company has SOP of "*Menanda Batu Sempadan*" document no: MSLSL(Ed.2)-Sec.2(2.0) date issued 1 June 2012. In the section 2.8 stated that "*memancang dan menanda batu sempadan dilakukan sekurang-kurangnya 6 sebelum program penanaman dilakukan*".

Based on field visits, the company has have physical boundary, for examples:

Chador 1

There is a map with a scale of 1: 31000 which explains the boundaries of the Chador 01 Estate and there are 23 boundary stakes. The Estate also shows the "*Rekod Pemantauan Batu Sempadan*" that was last made on June 4, 2018. Based on field visits in block 29, block 2 and block 4, it is known that there are stakes and ditches in the area bordering with "*Hutan Simpan*" and community areas.

Rantau Abang 1

There is a map with a scale of 1: 14000 which explains the boundary of the Rantau Abang 01 Estate and there are 48 boundary stakes. The garden also shows the "*Rekod Pemantauan Batu Sempadan*" that was last made on March 15, 2018 and there is a coordinate list of boundary stakes. Based on field visits on block 5 stakes No. 8, 9 and 10, it is known that there are stakes that are in accordance with the coordinates and there are ditches. The area is directly adjacent to the FELCRA area.

Consideration to made boundary marker with GPS coordinate especially Chador 01 Estate. **OFI**

2.2.3, 2.2.4, 2.2.5

Based on interview with stakeholders, there is no issues about land disputes found within the Jerangau Baru Complex operation area (Chador 1, Rantau Abang 01 and Rantau Abang 02). This is in accordance with the results of field visits, that there is no indication of land dispute in the company area.

2.2.6

FGV has a Policy concerning to "Polisi Larangan Menggunakan Senjata dan Ketentaraan (No. ML-1A/L1-Po15 issued 1 June 2014)" which explains that Felda Global Ventures Holdings Berhad (FGV) is committed in resolve any conflicts and disputes through conversation. For conflicts and disputes that cannot be resolved by conversation, the company will use the legal channels of state law as a settlement method to get justice and satisfaction from both parties. The company will not use weapons and soldiers at all in resolving any conflicts and dispute.

Status: Comply

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.

The entire area managed by FGVP (Jerangau Baru Complex) is area owned by FELDA under the Letter of "Pemberian Hak Milik Tanah Kepada Lembaga Kemajuan Tanah Persekutuan (Felda) untuk dikendalikan Secara Ladang Komersial" No. PTG.TR. 00/42/1995/C/002/01-(44) dated on 18 April 2011 from "Pejabat Pengarah Tanah Dan Galian Terengganu".

However, 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).

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 Major

T has made long term work plan for 2019 – 2023 for Jerangau Baru Mill and long term work plan for 2019 – 2021 for Chador 01, Rantau Abang 01, and Rantau Abang 02. It consist estimation data of FFB projection, prices per ton, revenue, operating cost, total cost and profit. Based on interview with estate manager known there is no land expansion plan or mill capacity extension so far.

3.1.2 Minor

Replanting plan for Chador 01 will be on 2022 and 2023, Rantau Abang 01 will be on 2019 for 272 Ha and 2020 for 228.61 Ha, and Rantau Abang 02 will be on 2019 for 400.29 Ha, 2020 for 344.95 Ha, and 2023 for 176.06 Ha. The replanting plan has been documented. The replanting procedure explains that the area to be replanted if the palm trees were aged above 25 years. Until audit was conducted, the old planted palm trees still produce FFB, so the replanting is planned by 2019 and 2020.

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

Mill and estate has had operational procedure that well-documented in each site. The document as follows:

• **Estate → MANUAL LADANG SAWIT LESTARI**

1. Nursery MLSL (Ed.1) – Sec.1 (1.0) until MLSL (Ed.2) – Sec.1 (20.0) explain about:
 - Nursery
 - Planting seed
 - Pest and disease control
2. Replanting MLSL (Ed.2) – Sec.2 (1.0) until MLSL (Ed.2) – Sec.2 (20.0) explain about:

- *Ganoderma* treatment.
- Planting legume cover crop.
- 3. Immature MLSL (Ed.2) – Sec.3 (1.0) until MLSL (Ed.2) – Sec.3 (11.0) explain about:
 - Ablation
 - Pruning
 - Harvesting
 - Planting beneficial plant
- 4. Mature MLSL (Ed.2) – Sec.4 (1.0) until MLSL (Ed.2) – Sec.4 (12.0) explain about:
 - Weeding
 - Circle racking
 - Thinning Out
 - FFB transport etc.
- 5. Manuring MLSL (Ed.2) – Sec.5 (1.0) until MLSL (Ed.2) – Sec.5 (8.0) explain about:
 - Mechanical manuring using spreader
 - Organic fertilizer
 - Quality control
- 6. *Prosedur Kerja Selamat* (FPI-PK-001 until FPI-PK-074) dated 14/07/2010. This procedure has covering all safe working practice in the mill.

Based on interview, the procedure has been socialized for all employee. Based on interview with harvester and spraying worker in Chador 01 and Rantau Abang 01, and manuring worker in Rantau Abang 01, it is known that they understand and could explain the procedure for their own duty.

• Mill

The mill FELDA PALM INDUSTRIES Sdn Bhd have procedures and manual for operating the mill in form of:

1. MANUAL OPERASI KILANG SAWIT.
2. MANUAL OPERASI (MAKMAL) for laboratory since January 2001:
 - a) Sample tacking 14 activities in documents number from FPI/L3/14-01-01 until FPI/L3/14-01-14
 - b) Laboratory use tools in documents number from FPI/L3/14-02-01 until FPI/L3/14-02-15
 - c) Chemical material provision in documents number from FPI/L3/14-03-01 until FPI/L3/14-03-17
 - d) Calibration in documents number from FPI/L3/14-04-01 until FPI/L3/14-04-15
 - e) Determination in documents number from FPI/L3/14-05-01 until FPI/L3/14-05-41
 - f) Water analysis in documents number from FPI/L3/14-06-01 until FPI/L3/14-06-14
3. PROSEDUR KERJA SELAMAT PENGURUSAN KESELAMATAN DAN KESIHATAN PEKERJAAN for each station in the mill (FPI-PK-001 until FPI-PK-074) approve since 7 February 2013 for example general safety, Loading Ramp, Press operation, motorcycle use etc.
4. Mill operational manual (QOHSE 01 – 03).
5. Laboratory Manual (QOHSE 04 – 05)
6. Safety Work Procedure (06)
7. OHSE Procedure (07).

4.1.2 and 4.1.3

To ensure consistency of procedures implementation, the companies routinely conduct internal audit activities both agronomic and processing. For example

Mill:

1. Internal audit RSPO on 30th May 2018.

Estate:

- Agronomy report made by agronomist Mohd Nasir Bin Haron on 6th February for Rantau Abang 01 and 02. The report contain of soil map type, FFB production trend, LSU and SSU report, fertilizing program and rainfall record

Besides, there also daily activity report for mill and estate to monitoring activities in mill and estate, for example:

Mill:
 Daily report dated on 18th July 2018 which is consist data FFB received from all supplier, OER, KER, CPO Production, processing time, work hour, throughput, FFA, etc.
 FFB Received: 210.00 ton
 OER: 20.03
 KER: 5.56
 Throughput: 54.78 ton FFB/hour
 FFA: 4.58
 DOBI: 2.39

Estate:
 Weeding activity record in document "Buku Rekod Kerja Merumput Bulatan" which is described date of weeding, block, amount of herbicide applicators, amount of hectare application, amount of herbicide used.

4.1.4
 Jerangau Baru Mil has had SOP for third-party FFB sourcing No. Document: FGV/FGVPM/II/QOHSE/15/012.1, issued in April 1st 2016, revised on May, 31st 2017. The SOP describes the mechanism the FFB supplier (hectares, location, and land owner). Observed the list of FFB supplier to Jerangau Baru POM for the previous 12 month, namely : its own estates (Chador, Rantau Abang 1, Rantau Abang 2), FELDA plan (Felda Jerangau, Felda Jerangau Barat, Felda Bukit Bading, Felda Mengkawang), FTP (FTPSB Jerangau and Bukit Bading), dealers (8 parties), out grower (3 parties), independent (3 parties).

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 and 4.2.2
 FGVP has had procedure regarding to soil fertility management in document "Field Manual on Sustainable Palm Edition II in 2012". This document divided into eight section as follows:

- LSL (D.2): Management of fertilizer supply (preparation before receiving fertilizer, the process of receiving and inspection of fertilizers, manure storage process in the store, the Fertilize production process, the process of recording)
- LSL (D.2): Quality Control Fertilizer (Standard Fertilize Mixed, materials and equipment, the rules of sampling Fertilize, alloy Fertilize sampling instance, the example of a single Fertilize sampling and granular).
- LSL (D.2): Tempering oil prematurity (≤ 36 months after planting); explains the productivity guidelines, conventional fertilization, fertilizing principle in pre packing, environmental, and safety
- LSL (D.2): Fertilization palms (≥ 37 months after planting) method, the quality, suitability implementation, environmental, safety, and references.
- LSL (D.2): Pre-cut palm Fertilization (fertilizing activities in accordance implemented in January to September, when the rains do not conduct tempering 3 consecutive days above 25 mm / day; floods and prolonged droughts / for more than 45 days).
- LSL (D.2): Fertilization through the spreader (≥ 5 years old trees, fine fertilizer, fertilizer through the spreader calibration must)
- LSL (D.2): Fertilization through the subsoil
- LSL (D.2): Monitoring the quality of Fertilization

Whole SOPs implementation has monitored in Monthly by Estate Manager through the manager report.

Through the document observation, sighted monthly manuring activity through document "Rekod Kerja Penaburan Baja" which record the fertilizer used, fertilization hectarege, fertilizer quantity, and number of worker. For Example: Rekod Kejr Penaburan Baja periode of June 2018, NPK 9:9:12 as much as 58,700 MT for 272.37 Ha.

4.2.3
 SOP leaf and soil nutrient levels/sampling written in document LSL (D.2) - Sec.5 (4.0) Fertilization palms (≥ 37 months after planting) method, the quality, suitability implementation, environmental, safety, and references. Based on document verification and interview with operational staff known that soil sampling and periodic tissue has been held annually. The latest soil sampling in Chador 01

conducted on 7th – 10th February 2018 and in Rantau Abang 01 conducted on 20th March 2018. Based on sampling result, issued manuring recommendation that will be used for 2018.

4.2.4

The company once used EFB. Based on interviews with the management, company currently do not use EFB because the transportation cost from mill to each estate relatively high. However, company also documented the record of EFB application, such as in “rekod SPK Wilayah” Chador 01 dated on 28 Januari 2018 was 923.17 tonnes dan 929.38 tonnes. It recorded in work agreement with contractor Syafiq Jaya Enterprise.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

Chador 01, Rantau Abang 01, and Rantau Abang 02 showed the soil map which explain the kind of soil in each estate. Based on agronomy report of Rantau Abang 02, it is known that type of soil in Rantau Abang 02 is not marginal soil, but Berang, Kedah, dan organic clay.

Company showed document of type of problematic soil including marginal soil such as acid sulfate soil, peat soil, former land of stork, bris soil, and masin soil. Soil characteristic for acid sulfate soil is called Sedu and for masin soil is called briaah and kerait. There is no peat characteristic in Chador 01, Rantau Abang 01, and Rantau Abang 02 based on agronomy report, type of problematic soil and field observation.

4.3.2

Based on slope area map of Rantau Abang 01, slope 0° - 5° is 93.04 Ha, 6° - 15° is 40.35 Ha, and > 15° is 188.64 Ha. The company made a strategy for slope 6° - 15 and > 15° by made terracing and cover crop plant (*mucuna*). Based on field observation in Rantau Abang 01 PR 16Q, it is known that company has plant mucuna in that area and there also terracing.

4.3.3

Road maintenance program is written in document *Program Kerja Baik Jalan Pertanian 2018*. For example: record of road maintenance in Chador 01 for *Jalan Gred and Roll* as much as 10,182 meter. And also sighted road maintenance program 2018 and SPK of Saperu Enterprise (001)/FGVPM/JKP/SPK/2017 Pt.1 dated on 5 January 2018 for activity *menggred dan menurap jalan* (hardening and grading road).

Based on field observation to several area in Chador 01, Rantau Abang 01, and Rantau Abang 02 Estate, whole main –road, collection road and bridges are in good conditions

4.3.4; 4.3.5 and 4.3.6

According to soil maps verification, agronomy report, type of problematic soil and field observation to several location in Chador 01, Rantau Abang 01, and Rantau Abang 02 Estate, there are no peat area in both estates.

Status: Comply

4.4

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

4.4.1, 4.4.2

The respective unit has identified the water sources and water course within its operational area, the water management program for each for period of 2018 are observed and verified during audit including its implementation record, among others:

- The mill has been set the program to to conserve the water through piping damage monitoring and repairing, monitoring of water usage for boiler and process, as well as set the water usage budget for monthly by 1.30 m3/ton FFB.
- The entire estates has carried out demarcation of buffer zone by installed the boundary poles (20 meters from river bank), installed the signboard and sign ban as well as conduct training to all chemicals operators related to ban of spraying in the buffer zone.

FGV Chador 01 was not able to demonstrate evidence that a water analysis has been done according to the water management plan. Based on the document verification the last water quality test was done on 2016 while the management plan stated that analysis shall be done yearly. **NCR No. 2018.1**

The protection of buffer zone management stipulated in company' policy namely "**Polisi Perlindungan Tanah Curam dan rezab sungai – Mengadakan zon penampungan yang bersesuaian di kedua belah tebing sungai untuk menapis sebarang bahan asing yang berupaya mencemarkan sungai**".

There is no river in Rantau Abang 1 and Rantau Abang 2. Observed during field visit to Chador River in Chador 1 Estate, the buffer zone has been marked and there was an buffer zone signboard as well as warning sign in place. Sighted a circular letter from Estate Manager related to prohibition of chemical activity in buffer zone, no.: (01)437/RSPO 4.4.1. However, during field visit at riparian area Sungai Chador at Blok 11 at Chador 1 Estate, it was observed that there was traces of spraying activities in the buffer zone area which is against the company's SOP. **NCR No 2018.2**



4.4.3
The effluent are managed well in a licensed series pond consist of : mixing pond , anaerobic , facultative pond and algae pond , final charge is to Landah river. Sighted the lisenca from *Jabatan Alam Sekitar* along with its compliance schedule, document no.: 004065 valid from 1 July 2018 up to 30 June 2019. There was a SOP of operation of effluent treatment plant document no.: FPI/L2/QOHSE-10.0 which describes among others : operation of anaerobic tank and monitoring of effluent treatment plant.

POME test are done in monthly by accredited laboratory (standar malaysia – Makmal analisa bukit Goh), sighted the record of test for Jan – June 2018, there is no test result which exceeds the quality threshold, for e.g in June 2018 BOD is 24. The surface water analysis are done monthly if there are discharge, for 2018 the discharge of effluent to river of Landah are done in Jan – March and June (except April and May). Observed the water analysis for period of June, the result is below of threshold, for e.g pH is 6.95, BOD is 9 and SS is 61.

4.4.4
All water using for processing is from Jerangau River, treated in water treatment plant. Water usage are measuring and monitred in daily basis, observed two flow meter which has been installed and functioned well in WTP. The mill has set the water usage budget namely 1.3 M3/FFB MT per moth, sighted the record of water usage for period of 2018. Evaluation and justification of the water usage which exceeded the budget in April to May 2018 is due to the piping damage (bomba piping) since March to May 2018, the repairing has been done in June 2018.

Minor 4.4.1	Status:	
Major 4.4.2	Non Conformity No 2018. 01 with Minor Category	
	Non Conformity No 2018. 02 with Major Category	

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

4.5.1
The company has had IPM plans on document “Pengurusan MakhluK Perosak Bersepadu” (No.Document ML-1A/L2-Pr3 (0) circulated since 1 June 2006.

Estates has been using biological treatment in order to control pest attack. For

1. *Antigonon leptosus*. Based on field visit, *Turnera subulata* has been planted in each main or collection road.
2. Using *Tyto alba* to control rat attack. Based on field visit in Chador 01 in block 13 PM14, barn owl box is in active condition.

Based on field observation, the company using several species to control pest and disease. For example, beneficial plant (*Turnera subulata*) to control caterpillar or bag worm and Owl (*Tyto alba*) to control rat attack. Besides, company also provides pesticides to control rat attack. Implementation of pesticides used is documented in each estate, for example: Based on “*Rekod Kemajuan Kerja Menabur Racun Tikus*” period of March 2018. The document informed number of worker, pesticides used, and the hectareage.

Based on interview with harvester in Chador 01 and Rantau Abang 01, rat attack is low because there is *Tyto Alba*.

4.5.2 Minor

The company has conducted IPM training regularly. For example:

- Training of pesticide use in Rantau Abang 01 on 8th February 2018 attended by 27 participants
- Demonstration of chemical handling, safety working procedure in Chador 01 on 8th May 2018 attended by 10 participants

Based on interview with harvester and spraying worker in Chador 01, Rantau Abang 01, they has been understood regarding to IPM procedure. They can explain well the benefits of natural pest predators, identification of pest attacks and integrated pest management techniques.

Status: Comply

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

4.6.1
Policy of Paraquat use on 1 June 2014 by FELDA and FGV document no.97/143-H which informed:
The reducing and stopped the application based on consideration of: The *Paraquat* only uses for the young palm (0-3 year) and prohibited for the old palm, the alternative of the replacing the paraquat pesticides have to implement. According to the interview with management representative during the audit, the company has not stipulated the date of zero paraquat.

Policy from Circular Memorandum No. (27) 010810/HQ/JAB.OP.17/PLANTATIONS/AM, dated 8 May 2017, regarding **Larangan Penggunaan Herbicide Paraquat Dicloride**, by Ketua Pegawai Eksekutif FGVP (M) Sdn Bhd, Suhaidi Hamzah.

The chemical usage justification documented in Document Manual Lestari 1A No.ML-1A/L3-GP 1(0), circulated on 1st June 2017 regarding to guidelines and dosage of chemical weeding and it active ingredient. Another document of formal justification for agro chemical use and this is documented within the IPM (ML-1A/L3-GP1 (0), March 2012, which attempts to ensure that the most effective and least harmful chemicals are always first choice.

Based on field observation and interview with spraying workers in Chador 01 and Rantau Abang 01, it is known that workers have implemented spraying procedures in accordance with the procedures and using the provided PPE.

4.6.2
The company has had procedure of pesticide safety procedure in document “Procedure Pengendalian dan Kawalan Racun” effective since 1st June 2017. Records of pesticides usage is made in trends of 5 years. The document inform product name, active ingredients, unit, % active ingredients, area sprayed, total applied, total active ingredients, active ingredients/total sprayed, and LD50. For example, pesticide toxicity on 2017 in Rantau Abang 01 for metsulfuron methyl. LD₅₀ (2,510), percentage of active ingredient is 13%, total applied 66.3 lt, active ingredient/area sprayed is 0.054, FFB production (16,129.08 Tons), active ingredients/area sprayed is 0.0041. LD 50 also can be seen in MSDS. Based on the documents, it is known that there is decreasing in pesticide use in each estate.

4.6.3

The company has shown the IPM Plan on document namely "Pelan Pengurusan Kawasan Serangan Mahluk Perosak Tanaman Bersepadu" that consist at least 10 IPM plan. Entire plan has been implemented regularly. For example: sighted document "Buku Rekod Kerja Penaburan Tikus" Rantau Abang 01 period of March 2018 which informed total pesticides used and area applied. Based on document "Rekod Racun 5 tahun dan Pengiraan active ingredients/hectare & active ingredients/ton BTS" it is know that the pesticide usage has declined. There is no prophylactic use of pesticide.

4.6.4

The company has sighted a complete listing of WHO class 1A, class 1B, and Stockholm or Rotterdam Conventions pesticides. **Policy of Paraquat use** on 1 June 2014 by FELDA and FGV document no.97/143-H which informed:

"The reducing and stopped the application based on consideration of: The Paraquat only uses for the young palm (0-3 year) and prohibited for the old palm, the alternative of the replacing the paraquat pesticides have to implement" Policy from Circular Memorandum No. (27) 010810/HQ/JAB.OP.17/PLANTATIONS/AM, dated 8 May 2017, regarding **Larangan Penggunaan Herbicide Paraquat Dicloride**, by Ketua Pegawai Eksekutif FGVP (M) Sdn Bhd.

According to field observations to chemical storage and interview with management representative in Chador 01 it is known that unit was not using Paraquat since 2017 and Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Convention. However, in Rantau Abang 01, there still paraquat using. Based on document review of pesticide usage in Rantau Abang 01, the usage of paraquat have been minimized every year. Based on field observation, there will be notice board in spraying area after spraying activities.

Pesticides that are categorised as WHO Class 1A and 1B or listed by the Stockholm or Rotterdam Convention and Paraquat are not used, except in specific situation identified in Best Practice. The usage of paraquat have been minimized every year.

4.6.5

Hazardous chemical handling procedure observed in Safety, Health and Environmental Manual section. Based on interview with spraying worker in Chador 01 and Rantau Abang 01, it is known company has provided worker with pesticide handling training. The training is conducted in Bahasa Melayu and also help from translator. The training has been documented in minute of meeting, list of participants, and photo activities, such as:

1. Training of pesticide handling in Rantau Abang 01 on 8th February 2018 attended by 27 participants.
2. Demonstration of pesticide application in Chador 01 on 8th May 2018 attended by 10 participants

Based on interview with spraying worker, it is known that they can demonstrated the safety work procedure and using appropriate PPE such as rubber boots, apron, hand glove, respiratory masker and safety helmet. All PPE provided by the company. If any PPE damaged will replace with the new one. Applicator that did not using appropriate PPE are prohibited to work. The pesticides mixing in the field is in accordance with safe, there is no indication of pesticide spillage to soil.

4.6.7

According to interview with spraying worker in Chador 01 and Rantau abang 01 estate, it is known that workers provides with PPE (helmet, safety glasses, respirator mask, rubber gloves and apron) from the company. They were understood about hazards and risk related chemical used. All pesticide application equipment including PPE will be cleaned up after work and stored in chemical application storage.

4.6.8

According to interview with assistant manager of Chador 01, Rantau Abang 01, and Rantau Abang 01Estate. And also interview with stakeholders. There is no aerial spraying at estate.

4.6.9

Based on field observation and interview with spraying worker in Chador 01 and Rantau Abang 01 Estate, it is known that pesticide handling procedure socialized to the worker regularly. Moreover, it also sighted several training of pesticide handling, for example:

1. Training of pesticide handling in Rantau Abang 01 on 8th February 2018 attended by 27 participants.
2. Demonstration of pesticide application in Chador 01 on 8th May 2018 attended by 10 participants.

4.6.6 & 4.6.10

The ex-container of chemicals are handled based in company's SOP, namely SOP of triple rinsing, document no.: FGVP/ML3/PK-33 issued no.: 1 on 20 My 2016, which is describes that the entire ex container are collected, triple rinsed and puctured, the store keeper responsible to recorded the process. Sighted the record of monitoring for period of 2018 in the respective estates, for e.g : the latest received in store of Rantau Abang 2 is on 23 May 2018. Confirmed during interview to the store-keeper, they can demonstrate the procedure of chemical's ex-container management. The entire estate are considered to be more consistent to implement the triple rinse. **#OFI**

During field visit to Chador 01, Rantau Abang 01, and Rantau Abang 02 observed that the chemical are stored at a secure store with retention bunds to contain spillage, the chemical which categorizred as class of 1A and 1B WHO are separated and kept under locked storage, spill kit and appropriate signage indicating toxic material were installed, as well as the PPE are provided in place. It was observed that the first aid kit are available in place.

4.6.11

A list of pesticide operator are sighted in Chador 01, Rantau Abang 01, and Rantau Abang 02, medical surveillane are done annually according to CHRA. The report of surveillane can be shown to auditor such as in Chador 01 held on 16th – 24th May 2018 by Klinik Ihsan for 12 worker in chemicals, in Rantau Abang 01 held on on 14th – 20th January 2018 for 25 worker and in Rantau Abang 02 held on 9th – 15th October 2017 for 4 workers. Based on result known there is no workers indicated exposed by the chemicals. And also, based on interview with worker, they know the result of medical check up

Medical surveillane for spraying workers covers blood, liver, lipid, urine, and physical examination. Company can make further study on the required medical surveillane type for chemical handler so that the medical surveillane in accordance with the needs. **OFI**

Based on interview with spraying worker, there is no sign of irritation and skin itches, as well no grievance raised during interview

4.6.12

There is no female workers involved in chemicals activity. The company has policy no: 974143-H "*Polisi gangguan seksual, keganasan serta hak kebebasan reproduksi*".

Status: Comply

4.7

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

4.7.1

Company has OSH policy written on "**Dasar Kualiti, Keselamatan Kesihatan Pekerja dan Alam Sekitar**" on November 2017, signed by Ketua Pegawai Eksekutif, Felda Palm Industries Sdn Bhd. The policy are written in bahasa Malaysia, which stated that FGV(P) 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.

The company also has established the OSH plan for 2018, such as CHRA, medical surveillane, fire fighting training, PPE training, etc.

4.7.2

Sighted the document of HIRA covering all activities for Mill and estates, updated annually and/or if there is changes of procedure, actifty, regulation and/or if there is an accident occurance. The document describes includes hazard and risk types, initial control, risk assessment and subsequent control.

Based on field observations into the warehouse complex (chemical warehouse and fertilizer warehouse) it appears that HIRADC has been displayed on the notice boards and during interviews with employees told that they have understood the types of risks of their work. Interview the Boiler operator in Jerangau Baru POM, it is known that the worker has been included in medical surveillane and provided with PPE.

4.7.3

Based on field observation and interview with worker in mill and estate, it is known that they understood about health and safety in workplace and wear PPE provided by company. However, during the site observation audit at Rantau Abang 01, it was observed that the handling of N95 particulate respirator was not according to user instruction where N95 particulate respirator was washed and reuse after dried. It is **Non Conformity No 2018. 03 with Major Category**.

4.7.4.

Organization that responsible related to OSH implementation has been appointed and sighted in all sampling units (Estate and Mill), in the document of “*Jawatan Kuasa Keselamatan dan Alam Sekitar 2018*”. The structure consist of chairman, secretary, and employer and worker representatives. OSH regular meetings are held every 3 months, and documented in form of minute of meeting and list of attendees. For Example:

Jerangau Baru POM: meeting on 24th May 2018 attended by 15 participants.

Chador 01 Estate: meeting on 24th May 2018 attended by 15 participants.

Rantau Abang 01: meeting on 21st May 2018 attended by 13 participants.

The meeting are concern on health, safety and welfare, which discussed on work accident report, on-site inspection work reports, trainings and other emerging OSH issues.

4.7.5.

The procedures for handling accident and emergency occurrence has been established and socialized in estates and mill, namely: SOP no.: FPI-PK-069 on handling of fire incidents; Manual procedure no.: FPI/1.2/QHSE-22.0 on handling mechanism of minor accident, major accident, fatality and its corrective/preventive action; and manual procedure of emergency preparedness and response no.: FPI/1.2/QHSE-14. Entire document are written in bahasa, and displayed in notice board in all respective unit.

Based on work accident report to relevant agency, it is known that there is no work accident in 2017 for mill and estate, except in Rantau Abang 01. There is 1 work accident in 2017. Example of work accident report Jerangau Baru POM on 9th January 2018 in accordance with JKKP 8 and report to mykkp.dosh.gov.my/jkkp8/pemohon/cetak/10243 for Chador Estate.

Based on field observation in mill and estates, it is known that company provides first aid kit in each unit. The content of first aid kit is sufficient in the field. The foreman is act as first aider in the field. Mill also showed first aider training that conducted in 20 December 2017 attended by 8 participants.

4.7.6 and 4.7.7.

All local workers has been covered in accident insurance (SOCISO-PERKESO and Etiqa). If there is an accident, company will make investigation and will be covered by the insurance. Company also cover medical insurance for all worker, local and migrant worker. Based on interview with contractor, it is known that contractor has been provided insurance policy to their worker.

The medical surveillance is done annually for workers involves in chemical activity (based on CHRA) and for workers who exposed to noise in POM. Based on interview with management representative in mill and estates and interview with workers in field as well verified in document (report of JKKP) no found any accident which need insurance claim. Medical aid has been provide by the estates and mill to workers involve in accident by send to nearby hospitals, and cost are paid by the company.

Insurance for contractor's workers is the responsibility of the contractor in accordance with the agreement in the work agreement of both parties.

Lost time accident are recorded in yearly basis, as well reported to JKKP under form of JKKP 8, sighted the accident report for 2017 and its lost time. In period of 2017, 1 case work accident and total lost time 4 mandays in Rantau Abang 01, no accident occurred during 2017 in Chador and Jerangau Baru POM.

Company provides PPE for all workers in accordance with the job type. There is also PPE inspection for every station/job type, however the company considered to monitor effectiveness of PPE inspection especially Rantau Abang 01 Estate. **OFI**

Major 4.7.3	Status: Non Conformity No 2018. 03 with Major Category	
4.8		

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

4.8.1
Company has training program for all workers (staff and daily workers) and contractor worker for period of 2018. The aspect in the training program are such as environment, labor best management practice aspect, ect. Some of training program, namely:

- Awareness training of OHS Policy planned on May and November 2018
- PPE Training planned on June 2018
- First aid training planned on July 2018
- Socialization of sexual harassment planned on May 2018
- Socialization of HCV planned on July 2018
- Training of Harvesting procedure on February 2018
- Etc

Based on interview with worker in estate and mill, they have trained related to their work, such as harvesting best practice, training for manuring, and spraying, first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity.

4.8.2
CH has showed the documentation of training or socialization in form of minutes of meeting, list of attendees, and photo activity. For example, socialization of FFB quality in Chador 01 on 12th February 2018 attended by 16 participants, harvesting training in Rantau Abang 01 on 20th February 2018 attended by 47 participants, chemical handling in Rantau Abang 01 on 15th March 2018 attended by 11 participants.

Status: Comply

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

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

5.1.1
Sighted the identification of environmental aspect and evaluation of significant on in the mill and estates, the identification has been covering all operational activities including replanting, which describes : the activity/product/service column including information of type of operation (N, A, E), aspect and impact which determined by the out put to land/water/air (including past and potential incidence), and the impact such as pollution and contamination. Besides, there was also information of compliance obligation, risk, oppurtunity, the criteria evaluation scoring consist of legal, scale, severity, probability, change, damage, interested parties, public, total score and significance. Based on the identification there was as much as 252 significance aspect and impact caused by mill operation and 4 significance aspect impact caused by estates operation.

5.1.2, 5.1.3
The mill and estates has been established the management plan to mitigate the significance aspects/impacts for period of 2018 (reviewed per three monthly basis), its along with method of mitigation, personel responsible and latest updated of status. For e.g in the mill, has been set that the BOD should be < 50 ppm for final discharge and in monson drain, the action plan is by conducting sump washing in monthly and washing the mixing pond 4, anaerobic digester tank as well as facultative pond. Observed that the latest progress is 35%. Record of implementation can be shown in estates, for example record of training to spraying operator on 8 Feb 2017 attended by 27 workers in Chador 1 Estates, demonstration of chemical application on 5 May 2017 Rantau Abang 2 and observed during field visit that the ex container store has been provided in respective estate. Action plan of significant aspect and impact considered to be more cover all related activity. **#OFI**

Management review are done in yearly to discuss the significance issues and to develop the management and action plan, for e.g in Rantau Abang 2 Estate done in 4 Feb 2018.

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, 5.2.2

HCV assessment has been done in Chador estate (in Dec 2017) as well as in Rantau Abang 1 estate and Rantau Abang 2 estate in May 2017, the assessment was held using the HCV toolkit by PSD Dept of FGV Holdings. Based on the report known that there is no HCV area in the Jerangau Baru Complex, however there were the wild-life observed, namely: *Macaca nemestrina* (VU), *Macaca fascicularis* (LC), *Sus scrofa* (LC), *Paradoxurus hermaphroditus* (LC), *Varanus salvator* (LC), *Naja naja* (LC) and aves as much as 9 sp.

The estates has been established the management plan, among others: installation of warning signboard for hunting, killing, collect and trades wild-live species, training and socialization related to RTE species to workers, installation of chemical spraying border in buffer zone (specific to Chador Estate) and routinely patrol. Based on field visit to Chador river in Chador 1 estate observed that the management plan has been implemented well, the signboard are installed as well as the workers has been aware regarding buffer zone and wild-life protection.

5.2.3, 5.2.4, 5.2.5

There is no HCV and RTE identified in Chador 1, Rantau Abang 1 and Rantau Abang 2 estate. Policy regarding to saction to workers who capture, harm, collect or kill RTE species referring to national regulation, namely *AKTA pemuliharaan hiduppan liar 2010 (AKTA 716)*. The training to workers are planned yearly, can be shown the record of training for 2018, for Chador 1 conducted on 20-21 Dec 2017 to 7 foreman of activity and clerck. Sighted the record of socialization to the employees in Rantau Abang 2 on 9 July 2018. Besides, socialization to entire workers also done during daily roll-call and by displaying the policy in notice board. During the visit to workers line-site, no found any workers who capture, harm, collect or kill RTE species and/or wild-life species.

Status: Comply

5.3

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

5.3.1

The company had identified the waste products and sources of pollution of the Estate FGV Chador 01, Rantau Abang 2 and Rantau Abang 01 as well as KKS Jerangau Baru. Its includes schedule and non-scheduled waste. There is no scheduled waste generated by estates operational activity, however some of non-scheduled waste generated among others: fertilizer bags, spent tires, spent iron, triple-rinsed pesticides container, domestic waste and spent PPE. Sighted the waste management plan that had been set by estates on year 2018 / 2019, informs sources of waste, type of waste, activity to reduce domestic waste and disposal, person in charge.

KK Jerangau Baru has been established the inventory of scheduled waste and had been updated into E SWIS, second schedule for waste code:

- i) SW 322 – organic dissolved waste material and non-hologynic – 0.05 MT
- ii) SW 409 – Mill Maintenance – Drums – 0.028 MT
- iii) SW 102 – spent Battery – 0.00
- iv) SW 305 – Spent Lubricant Oil – 0.00
- v) SW 306 – spent hydraulic oil – 0.00
- vi) SW 409 – waste painted container – 0.0100
- vii) SW 410 – spent PPE - 0.038 MT

5.3.2

The ex-container of chemicals are handled based in company's SOP, namely SOP of triple rinsing, document no.: FGVP/L3/PK-33 issued no.: 1 on 20 My 2016, which is describes that the entire ex container are collected, triple rinsed and puctured, the store keeper responsible to recorded the process. Sighted the record of monitoring for period of 2018 in the respective estates, for e.g : the latest received in store of Rantau Abang 2 is on 23 May 2018 and Chador 1 in 22 July 2018.

5.3.3

Sighted the procedure of waste management in FGVP estates and KKS Jerangau Baru, namely "Prosedur Kerja Selamat

Pengendalian Bahan Buangan Terjadual (Scheduled waste)”, document no.: FGV-ML -1A/L2-Pr19 issued no.1 effective date on 1st June 2016. Based on the SOP of handling scheduled waste, there is a clear procedure of disposal waste material that include: management of waste disposal, notification of waste disposal, labeling of waste disposal, storage of waste disposal, inventory of waste disposal, collection and transportation of scheduled waste, recycling and disposal of scheduled waste.

Observed the procedure of handling chemical waste which include in document no.: ML-1A/ L2- Pr9 (0)effective date on 1st June 2016 that clearly stated the objective, scope, responsibility, handling procedure, storage, transportation and usage before and after.

There is no scheduled waste generated in estates, the spent containers had disposed after being triple-rinsed to Awie Metal Sdn Bhd.

Based on the record at the mill, sighted the consignment note of the scheduled waste disposal to the registered collector as per details: Consignment note waste oil SW 305 dated 6th July 2017 – amount 0.174 MT (200 liters). There is a record of requesting to extend the date of scheduled waste storage for code SW 409 – spent container, SW 410 – spent filter and SW 410 – spent gloves on 20th July 2018 to director general of DOE Terengganu. Based on the field visits at Scheduled waste store KKS Jerangau Baru, it was observed that the last date registered for disposal of SW 410 Spent filter is on 20th April 2016 which is more than 180 days of storage. This is against the requirement of scheduled waste regulation 2005. **NCR No 2018.4**

Waterwaste are managed by mill in a licensed series pond and discharged to Landah river. EFB managed by reused and applied in estates, fiber and shell are reused as boiler renewable fuel.

Domestic waste generated from workers line-site are managed according to the FGV estate manager memo, namely collected twice a week and disposed in the registered landfill. It was observed in line-site and landfill area that all the domestic waste has been managed and disposed well. The date of opening and closing of the landfill indicated in signboard for example the latest opening of new landfill is 5 June 2018, closing for ex-landfill on 04 June 2018.

Monitoring by the management are done in weekly basis to ensure the compliance with the guidelines and regulation. The personnel in charge of landfill has been trained well, it was confirmed by the auditor during the interview.

Minor 5.3.3	Status: Non Conformity No 2018. 04 with Minor Category	
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5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.

Fossil fuel efficiency monitoring records are available in the KKS Jerangau Baru, monitoring of Fibre & shell use per Tonne of FFB for 2018 are observed during audit. Sighted the diesel usage monitoring in monthly basis in Jerangau Baru POM, for example for periode of July 2018 : total FFB processed is 4480 MT, total fossil fuel usage : 3497 lt, ratio : 0.78 lt/mt FFB.

The usage of nonrenewable energy had been utilized in the mill dated 22 July 2018 that include the monitoring of by product from the mill. it is include the monitoring form:

- i) Kernel shell – 14.00 MT
- ii) Shredded fiber – 255.0 tons

Record had been made as per documentation form FFB Process of 200.0 MT until 5000 MT, daily monitoring had been made by the mill and had been recorded in daily figures product report on 22 July 2018.

The monitoring of diesel use per ton FFB was included in fossil fuel monitoring of FGV Chador 01, Rantau Abang 1 and Rantau Abang 2. There is a record of 2018 from month January to June 2018, for example in Chador 1 for period of June 2018, diesel / ton FFB is 4.91 liter/ MT

	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, 5.5.2
Prohibition open burning policy observed for FGV with endorsement from President dated 1/6/2014 which stated “*Polisi Larangan* SPO – 4006a.7

"Pembakaran Terbuka" – in line with the practice of mini-plantation system practices and to comply with section 29A, environmental quality act 1974, open burning prohibition, no officer or worker of the FGV or the contractor working on the FGV premises may permit or cause open combustion either during the recycling work , domestic garbage burning at garbage disposal sites, Office areas, Worker placement areas and workers of any open space on premises ". Sighted the circular letter to FGV dated 24th July 2015 to all FGV Managers, FASSB, FTPSB, *Rancangan Felda* and FPISB by *Jawatankuasa Pandu RSPO FELDA / FGV*.

There is no found any of fires and burning within operational activity of Jerangau Baru Complex, replanting activity are done by mechanical technique, which observed in the contract clause no. 3 stated that the contractor hired should comply with national regulation of *Akta Alam Sekitar 1974*. Clause no.6 stated that the contractor should comply with FGV policy including zero burning.

Status: Comply

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

5.6.1, 5.6.2

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

- Mill sources: Boiler, uses of electricity, uses of Diesel, and uses of Lubricant, final discharge, effluent treatment plant, composting and empty fruit bunches. Type of emission: Particulate, Black smoke, dust and noise.
- Estates sources : fertilizer, diesel usage and used pesticide

Mitigation plan and its implementation has been observed such as: run boiler with optimum capacity and less fibre burn in boiler, particulate monitoring routinely in semester, recording and analysis of diesel consumption for FFB transportation, reduction of chemical uses (liter), domestic waste management on monthly bases, waste separation (organic and non-organic) and no burning in waste management, paperless implementation (rim/month), recording on recycle (kg/month) and training to the respective worker.

Besides, audiometric test are done in yearly to workers exposed to noise, the tests are held on 28 April 2018 by Klinik Syed Badaruddin Sdn Bhd, no case regarding to hearing loss. Emission monitoring of boiler done twice a year, sighted the certificate of analysis for sem 2 of 2017 tested by triple A ESH solution, result is below of threshold (144 mg/m³). Sighted the boundary noise survey report, done by pintaria Sdn Bhd on 12 Feb 2009, there was 4 locations surveyed with a highest noise is 65 dBA and the lowest in 47 dBA. Based on field visit, it is known that CEMS monitoring was seen stable at boiler room [graph appears well on the screen while the mill in operation]. Aside, the CCTV for stack emission monitoring was seen well managed.

The mill has been provide training and PPE (earmuff and earplug) to the workers, observed during the field visit, all the workers are use appropriate PPE, there were also signboard of noise level in the process station (boiler, engine room and sterilizer).

5.6.3
The Palm GHG has been calculated using the latest tool namely palmGHG calculator v 3.0.1, the net palmGHG generated by the company is **1.4 tCO₂e/tCPO**, the data summary are verified by the auditor and reported as follows:

Summary of emission:

Product	tCO ₂ e/t Product
CPO	1.4
PK	1.4
PKO	0
PKE	0

Land Use	Ha
OP Planted Area	4469.67

OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	0
Total	4469.67
Production	t/yr
FFB Processed	39146.25
CPO Produced	7226.39
PK Produced	2059.09
OER	18.46
KER	5.26

Summary of Plantation/field emissions and sink

Description	Own			Group			3 rd Party		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB
Land conversion	25040.51	5.6	0.64	0	0	0	0	0	0
CO ₂ emission from fertiliser	1990.87	0.45	0.05	0	0	0	0	0	0
N ₂ O emission	1616.56	0.36	0.04	0	0	0	0	0	0
Fuel consumption	175	0.04	0	0	0	0	0	0	0
Peat Oxidation	0	0	0	0	0	0	0	0	0
Crop sequestration	-23735.08	-5.31	-0.61	0	0	0	0	0	0
Sequestration in conservation area	0	0	0	0	0	0	0	0	0
Total	5087.86	1.14	0.13	0	0	0	0	0	0

Mill emission and credit

Description	tCO ₂	tCO ₂ e/t FFB
Emissions Sources		
POME	7673.33	0.2
Fuel Consumption	138.34	0
Grid Electricity Utilisation	93.56	0
Credits		
Export of Excess Electricity to Housing & Grid	0	0
Sale Of PKS	0	0
Sale Of EFB	0	0
Total	7905.23	0.2

Palm Oil Mill Effluent (POME) Treatment

Diverted to compost	0 %
Diverted to anaerobic digestion	100 %

POME Diverted to Anaerobic Digestion

Diverted to anaerobic pond	100 %
Diverted to methane capture (flaring)	0 %
Diverted to methane capture (electricity generation)	0 %

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, 6.1.2

SIA assessment for are done yearly, for Chador 1 are held in 31 May 2018 as well as Rantau Abang 1 and Rantau Abang 2 are done in 29 May 2018. The assessment has been involves the related stakeholder such as local workers, foreign workers, contractors, school teacher and community around. There was 5 negative impacts identified in Chador Estate and 3 in Rantau Abang 1 and 2. The evidence of participatory are in the form of minute of meeting with the stakeholders, photograph of the activity and attendance list. Besides, the meeting with the stakeholder has been done routinely, for e.g the latest meeting in Rantau Abang 2 is on 10 July 2018, attended by 180.

6.1.3, 6.1.4, 6.1.5

The respective units have established a management plans for social impact management for the period 2018 along with its implementation, informs the types of impacts, required actions, responsible personnel, schedule of plans (immediate, simple, long-term and monitoring), among others:

- Regarding to the issue house maintainance in Chador 1, has been observed the record of maintainance record in log book, for e.g during periode June 2018 done by the contractor with work order no.: KLG042218060001
- Record of socialization of RSPO, policy of sexual harrassment and productive protection rigths to women workers done in 22 July 2018, 7 attendants
- Observed the record of contract letter between workers and sub-contractor (Chong Brothers Palm Industry), as much as 2 workers and as well as the evidence of agreement to keep the passport for safety reason.

There is no issues raised which not covered in SIA management plan according to public consultation to local contractor and local community.

The management plan are review in yearly according to the result of stakeholder meeting, sighted the management review of SIA management plan which held on 12 June 2018, attended by 13 related personel.

There is non smallholder scheme under FGVP(M) Chador, Rantau Abang 1 and Ranatau Abang 2.

Status: Comply

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

6.2.1
Company has procedure of communication and consultation documented in SOP Communication, Involvement, and Negotiation No. FPI/L2/QOHSE-6.0, 2nd January 2018. The purpose of this Procedure is to provide an impressive communication system between company with internal and external parties of the plantation and due to quality requirements, aspects & impacts of the natural

surroundings, hazards and risks, social aspects and achievements during these purpose. The procedure has been socialized to the surrounding stakeholder. Based on interview with stakeholder, they understand how to communicate and consultation with the company.

List of stakeholders showed is informing the name, position, address and contact number. There are as many as 39 stakeholders consisting of hospital, clinic, village, governmental offices and others.

6.2.2
The PIC of communication is appointed for each estates and mill through appointed letter. The job description for PIC of communication also written on the appointed letter, for example to receive and record all complaints from internal and external stakeholder, delivery the issue to manager for further action, etc.

Based on interview with stakeholder, it is known that they know the mechanism and who is the PIC for communication.

6.2.3
Company has the latest list of stakeholder updated on January 2018, informing the name, position, address and contact number. There are as many as 39 stakeholders consisting of hospital, clinic, village, governmental offices and others. The communication is documented in “*Buku Rekod Maklum Balas*” and kept by the company. Company responds to all incoming letter not later than 2 weeks after the letter was received. For example Letter on 8th April 2018 form SK Jambu Bongkok 21610 Mercheng, Terengganu for bus lending request and responded on 25th March 2018. Based on interview with stakeholders, is known that they already know about the mechanism of communication and consultation.

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.
Company has SOP of Complaint and Grievance Handling (FGV/ML-1A/L2-Pr13, on 1st June, 2016). These document as guidance in related of complaint and grievance receive from external and internal (employee). The personnel in charge for received and documented of complaint and grievance from related parties are appointed through appointed letter. The complaints will review and consulted with related party for overcome. Related to protection for whistle-blower, the company has mechanism and was socialized to worker in estate and mill. Based on interview with worker in estates and mill, they have understood about this procedure. Company give freedom to each worker to speech or deliver complaint and grievance through their supervisor.

6.3.2.
Company recorded the written complaint in a log book “*Rekod Aduan dan Rungutan*” for each unit. Based on interview with workers Chador 01 and Rantau Abang 01 Estate, it is known that the complaint will be responded by company. Based on interview with external stakeholder, the workers, bipartite forum boards and Gender Committee known that there are no significant complaint and grievance from stakeholders. Also, there’s a meeting with external stakeholder of Jerangau Baru, Jerangau Barat, and Kerteh Complex on 10th July 2018. The issue from the meeting has been documented and responded directly by the company.

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
The company has SOP of “Prosedur Mengenalpasti Hak Perundangan dan Adat” procedure no: ML-1A/L2-PR13(0) issued on March 2012. In the procedure stated that calculation and compensation are done with the consideration of: gender, land rights and access, group ethnic differences and the communities that have long lived in the area.

Sighted the SOP of FPIC in the document procedure of “Pengenalpastian dan Penyelesaian Pertikaian Tanah” document no: FGV/ML-1A/L2-Pr10 issued on 1 June 2016 which informs: procedure for : boundary marking for replanting area, identification of

costumary right and calculation and compensation.

There are no new land acquisition. The process of land acquisition has been describe in the criteria 2.2

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
Rate of wages for local and contract/foreign workers under FGVP(M) Sdn Bhd shall use the latest payment scheme under “Buku Panduan Kadar Upah Kerja Ladang Bil 5/2017” Minimum wage of RM 1,000 per month for Peninsular Malaysia. The wage setting was approved by FGVPM CEO.

The documentation of wage are listed on Pay slip which describes the income component consisting of basic salary, SOCSO payment from the company, Project Incentive Pay, Overtime Pay, Professional Certificate Payment, section chief allowance and deductions component consisting of SOCSO, Family Insurance, Unions Dues, loans of Worker Cooperatives, electricity and water. Based on the Pay Slip period June 2018, there is known that all worker include foreign worker has been paid above minimum wage prescribed by law (RM 1,000). For example on behalf of Mohammad Manik (Spray worker of Chador 01) with total income is RM 1,202.82; deduction RM 21.37; Net Salary RM 1,181.45. There is worker that earn salary under RM 1,000, because workers don't work full time in 1 month, for example on behalf on Mek Zan for June 2018, income RM 807 with total 19 working day.

For overtime recording has been done on "*Borang Arahan/Kebenaran Lebih Masa, Kerja pada Cuti Rehat dan Kerja Pada Hari Cuti Umum*" which describes overtime hours and details of work. The document is made for each worker and signed by worker every day which works overtime. It is known that all overtime work is known and approved by the worker.

For overtime calculations, the company shows the document "*Borang Tuntutan Bayaran Kerja Lebih Masa pada Hari Biasa, Cuti Rehat dan Cuti Umum*". The calculations performed have been in accordance with the regulation, such as Overtime on behalf of Muhamad Aizuddin Bin Alias (mill worker) period June 2018 there is 34 hours overtime with an hour wages is RM 5.63 with a multiplier of 1.5. The total wage of overtime is RM 286.95. This has been in accordance with the pay slip of an Muhamad Aizuddin Bin Alias for the period of June 2018.

Contractor

Company shows the salaries of contractor workers, for example Musalma Maju Jaya Enterprise contractor in June 2018, based on the data it is known that all contractor workers have been paid above the minimum wage (RM 1,000).

6.5.2
The condition of employment has been describe in the document of "*Perjanjian Bersama Antara Felda Palm Industries Sdn. Bhd & Kesatuan Pekerja-Pekerja Semenanjung (01/01/16– 31/12/18)*" and "*Perjanjian Bersama Antara Felda Global Ventures Plantations (M) Sdn. Bhd & Kesatuan Pekerja-Pekerja Semenanjung (01/01/16– 31/12/18)*" that explain the work time, leaves, overtime, allowance, code of conduct, wage, etc.

In addition, each worker (local and foreign) has been equipped with a work contract, for example:

Chador 01 Estate

Bangladeshi Worker → There is an Employment Contract on behalf of Abdus Sattar on March 24, 2018 in Hindie Language which explains working conditions.

India Worker → There is an Employment Contract on behalf of Pintoo Yadav on October 03, 2017 in English Language which explains working conditions.

Indonesian Worker → There is an Employment Contract on behalf of Yayan Putra Wijaya on March 31, 2018 in Melayu Language which explains working conditions.

Each Worker has signed a Letter of "Acceptance of a copy of the Contract of Work Agreement" which explains that the workers have received 1 copy of the contract agreement.

6.5.3 & 6.5.4

The Jerangau Baru POM has shown "Senarai Perumahan" that informed there is 54 housing worker. Based on field visit, it is known that the house is in good condition, there is mosque and court, the water and electrical supplies are from government, near to government clinic and highway, for educational is near to school of Felda.

The Rantau Abang 1 has shown Layout of Housing Complex that informed there are 82 housing worker, 1 mosque, 1 kindergarten, 1 childcare, 1 football field, 1 Employee Hall, 1 grocery. For another amenities, the estate near to the community there is clinic, primary and high school. Moreover, the Rantau Abang 1 estate has school bus.

Based on field visit to housing complex, it is known that Jerangau Baru POM housing complex is near to highway & community and for housing complex in the estate, there are grocery. It is shows that the access to adequate and affordable food is easily accessible. Moreover in Rantau abang 2 estate, there is facilities to take the worker go to market.

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

The Company showed a policy of freedom of speech and membership policy approved by the FGV President & CEO dated 01/06/14. FGV gives the right to freedom of speech (in accordance with the law) and does not prevent individuals from joining unions or other registered unions and obtaining the existing FGV approval within the FGV group.

The Company has shown the last minutes of meeting of labor union, for example:

- Jerangau Baru POM has shown the minutes of meeting of labor trade that conducted on 24 May 2018 attended by 9 members of Labor Union (head, secretary, and members)
- Jerangau Baru Complex has shown the minutes of meeting of labor trade that conducted on 18 December 2017 attended by 13 members of Labor Union (head, secretary, and members)

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

The Company shows a policy on child labor approved by President Director & CEO of FGV dated 01/06/14. The FGV group does not allow individuals below 18 years to work under current law. Based on unit (Mill and Estate) worker's list for period July 18, there are no workers under 18 years. Based on field observation, there are no indication using the worker under 18 years.

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

The company has have "Polisi Kesetaraan Peluang" issued on 01 June 2014 that signed by President & CEO of FGV Mohammed Emir Mavani Abdullah. FGV group will ensure that all workers and those applying for work shall, receive equal treatment and shall not participate or support any type of discrimination based on race, nationality, religion, disability, sex, age, sexual attraction, union members and political beliefs.

Based on interview with worker of Jerangau Baru POM, Chador Estate, Rantau Abang 01 & Rantau Abang 02 Estate, this policy has been socialized to workers during the roll-call and displayed in the work-station, housing notice board and office's information board. Based on interview with workers from Indonesia, India and Bangladesh obtained information also reveals that there is no indication

of discrimination against employees.

The policy has been socialized to the worker and Gender Committee in the Jerangau Baru Complex (Jerangau Baru POM, Chador Estate, Rantau Abang 1 Estate, Rantau Abang 2 Estate) that conducted on 28 May 2018.

6.8.2 & 6.8.3

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

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

Based on the SOP of “Penempatan Pekerja Ladang” (No dokumen: ML-1A/L5-AP1 1(0) dated 01 June 2016), Procedure of “Kemasukan Pekerja Asing ke Ladang” (No. ML-1A / L5-AP10 (0), dated 1 June 2016 and Promotion & Upgrading Guidance, it is known that there are no discrimination on gender, religion, race, country and ect, for example for the basis of promotion is the performance rating of the last 3 years, time in current grade, years of services, Disciplinary and etc. For Example Rantau Abang 2 has shown proof of promoting the worker grade based on the assessment of the last 3 years for example an Norian BTE Besar for assessment the last 3 years (2015-2017) getting a score above 4 and getting the letter of promotion grade from Grade 5 to Grade 4 on May 25, 2018.

Status: Comply

6.9

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

6.9.1 & 6.9.2

Sighted a published policy in Bahasa Melayu on sexual harassment and violence as well as the policy for reproductive rights, those documents was signed by the President & CEO FGV on 01/06/14. The policy has been socialized to the worker and Gender Committee in the Jerangau Baru Complex (Jerangau Baru POM, Chador Estate, Rantau Abang 1 Estate, Rantau Abang 2 Estate) that conducted on 28 May 2018.

The Jerangau Baru Complex has been formed the gender committee to handle any complaint and grievance in associate with gender issues including but not limited to sexual harassment and reproductive. Based on interview with female worker, there are known that there is a gender committee to handle any complaint about sexual harassment.

6.9.3

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

Meeting document for the gender committee / KKD Jerangau Baru complex (Jerangau Baru Mill, Chador 01 Estate, Rantau Abang 01 Estate and Rantau Abang 02 Estate) was held on May 28, 2018. The meeting discussed RSPO certificates, opportunities equality policy, child labor policy, human rights policy, policy on sexual abuse, the freedom of reproductive rights, the form of sexual harassment, the complaint procedure for dealing with sexual harassment and the responsibilities of gender responsibilities, the formation of gender committee members and others.

Status: Comply

6.10

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

6.10.1,6.10.2

FFB pricing are based on MPOB for FFB that supplied by FELDA, the FFB price from dealer are based on agreement (usually refer to MPOB), sighted the price list for July 2018 (1-23 July), for 23 July 2018 consist of FFB set A (RM23 and FFB set B RM 22.50).

Based on interview with dealer during public consultation mentioned that they has been aware regarding to the price of FFB as well as the and pricing mechanisms.

6.10.3, 6.10.4

All the parties has been understand regarding to contractual agreement they enter to, based on interview with sampled local contractor stated that contract are fair, legal and transparent, the payment are made in timely manner, there is no issued raised during interview. Sighted the sample of agreement with local contractors namely Agreement no.: (6) with En Adam Mat Lazim for activity of FFB loading, valid from 1 Oct 2016 – 30 Sept 2018. The payment are done in timely and in accordance with the agreement, there is no complaint raised during interview.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1, 6.11.2

Contribution to the local are made based on community request, sighted the record of proposal from *Sekolah Kebangsaan LKTP Bukit Bading* on 1 July 2018 to Chador 1, sighted the record of scholarships for students of elementary school and high school. Sighted the record of assistance on 7 Sept 2017 to *Persatuan Ibu Bapa dan Guru Sekolah Kebangsaan Pasir Puteh (TBA 4006)* from Rantau Abang 2.

There is no scheme smallholder under Jerangau Baru complex.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.2

The company has human rights policy approved on June 1st, 2014 by President Director & CEO of FGV. The management is committed to supporting human rights. 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.

Has been set the Policy of Foreign Worker Requirement (approved by President & CEO FGV, dated 01 June 2014), explained that the basic salary is based on Malaysia minimum wage and the early training for the workers are provided such regarding to health & safety, labour requirement and culture sensitive.

Sighted the procedure, No. ML-1A/L5-AP10 (0), dated 1 June 2016, which explain related to recruitment process of foreign workers:

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 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. Transfer of workers to the estate will be arranged by Department of workforce (JTK) Toiletries will give at one stop centre (toothpaste, soap, towel)

There is no forms of forced labor and trafficked labour in both mill and estates, all workers are bound by agreement based on regulation (3 years and can be extended year by year with maximum 10 year). The contract agreement are written in bilingual (english and origin language) and signed by both and has been describes regarding to the work condition and payment. All workers passport shall be kept in the office for security reasons. Workers may obtain the passport from the company as a valid travel document, if necessary

Based on interview with workers of local and foreigner, they told that the recruitment process has been accordance with the company policy and SOP.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1, 6.13.2

An official statement on the document of policy of human rights, issued dated 01 June 2014, mentioned that the company committed to support of human rights. 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 the 2018 there is any violations of human rights in the KKS Jerangau Baru and its supply bases.

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.

There is no new land clearance after 2005. The planting year above 2005 is a replanting area.

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.

There is no new land clearance after 2005. The planting year above 2005 is a replanting area.

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 land clearance after 2005. The planting year above 2005 is a replanting area.

The Company has submitted disclosure of liability & Management Units with potential liability and LUCA Submitted to RSPO on behalf of Felda Global Ventures Holding Berhards listed on the RSPO website. Based on this, there are 6 unit management units with potential liability and 6 units of LUCA Submitted, and 0 unit LUCA Review ongoing (Mus), 6 units passed LUCAs (Mus).

Status: Comply

7.4

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

There is no new land clearance after 2005. The planting year above 2005 is a replanting area

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.

There is no new land clearance after 2005. The planting year above 2005 is a replanting area

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.

There is no new land clearance after 2005. The planting year above 2005 is a replanting area

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.

There is no new land clearance after 2005. The planting year above 2005 is a replanting area	
Status: Comply	
7.8 New plantation developments are designed to minimise net greenhouse gas emissions.	
There is no new land clearance after 2005. The planting year above 2005 is a replanting area	
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.	
<p>Internal Audit Company has conducted and review their activities through internal audit such as sustainable palm oil audit on May 2018 and agronomist and mill operation audit as well as management review for all aspect.</p> <p>BMP The mill has started composting plant for by product production.</p> <p>Environment The company has conducted an environmental impact evaluation every year. For this year has been conducted on 1 July 2018.</p>	
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	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. Yes, the mill take legal ownership for all FFB within its scope, as well all phisically handling.
	Status: Comply
5.1.2	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. Will be verified in ASA-1
	Status: Comply
5.1.3	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. Jerangau Baru POM has been registered in the RSPO IT Platform with id member: RSPO_PO1000001902. Reporting and other requierement will be verified in the ASA-1 (after mill certified).
	Status: Comply
5.1.4	Processing aids do not need to be included within an organization's scope of certification. There is no processing aids, the mill only convert FFB into CPO/PK.
	Status: Comply
5.2	Supply chain model
5.2.1	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. Will be verified in ASA-1
	Status: Comply
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB. Will be verified in ASA-1
	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.

Written procedure to ensure the implementation of all the requirement specified in the SCCS standard and system has been set and prepared by the mill on the SOP of "SOP Perkilangan untuk pematuhan sistem persijilan RSPO SCC (mass balance)" document no: FGVPM-RSPO SCC, issued no: 3.0, amendment 3.0, issued date 11 June 2018. Describes :

- General CoC
- RSPO SCC committee
- Department in charge : CDD and S&E FGVH
- Organization chart for SCC and its job desc :
 - Mill manager : responsible for ensuring the full application of the requirements in SCCS and SOP, validating all documents relating to mass balance adoption and inaugurating responsible board on SCCS.
 - Mill assistant : ensuring the implementation of SCCS audits, ensuring reporting of all SCCS implementation and updating of mass balance data and reports
 - Wheighbridge operator : ensuring FFB delivery notes from certified sources have been stamped RSPO-MB, ensuring all transport-unit which delivering FFB from certified sources have been registered in the system, ensuring that FFB certified and non-certified inputs are included in the appropriate category in the computer system.

In SOP also has explained related to the transfer of FFB processing, FFB delivery from plantation to mill, CPO/PK delivery from mill to customer/buyer, record keeping (kept for more than two years after the audit) communication & claim and SCCS training (planned yearly).

In the SOP, the mechanism for complain and grievance has been set : if there is complaints and grievance and/or communications related to SCC will refer to FGV procedures relating to complaints handling and claims. Complaints and grievance can also be submitted directly to the RSPO through the website (www.rspo.org).

Status: Comply

5.3.2

The site shall have a written procedure to conduct annual internal audit

The mill has shown the result of SCCS Internal Audit that conducted on 31 May 2018. There is one non-conformance about not yet conducting of management review. The mill has shown the action of non-conformance, the management review has been conducted on 01 June 2018.

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

Will be verified in 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

SOP about "Perkilangan untuk pematuhan sistem persijilan RSPO SCC (mass balance)" has been include the mechanism for handling non-conforming oil palm product.

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.

Will be verified in ASA-1	
	Status: Comply
5.5.2 Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: <ol style="list-style-type: none"> The site has legal ownership of all input material to be included in outsourced processes; 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. 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 	
Will be verified in ASA-1	
	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.	
Will be verified in ASA-1	
	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	
Will be verified in ASA-1	
	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	
Will be verified in ASA-1	
	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 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 	
The mill has been registered in RSPO IT Platform. Transaction report will be verified in ASA-1.	
	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:	

- 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.

The mill has been registered in RSPO IT Platform. Transaction report will be verified in ASA-1.

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

The mill has have training plan that including the SCCS Training.

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

Training of SCC held on 1 June 2018, 16 attendants (Manager, Assistant Manager, Weighbridge Clerk, Grading Officer, and operational Supervisor).

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

Transaction report will be verified in ASA-1.

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

At SOP of "Perkilangan untuk pematuhan sistem persijilan RSPO SCC (mass balance)" has informed that the recording must kept for more than two years after audit.

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.

The estimate of tonnage of CPO and PK that could potentially produced by the Jerangau Baru Pom in the next 12 month (after obtain RSPO certificate) is describes below:

	For the next 12 month
FFB	42.183 MT
CPO	8.015 MT
PK	2.320 MT

Actual tonnage of certified product will be verified in 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

Will be verified in ASA-1.

Status: Comply

5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.

Will be verified in ASA-1.

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.

Will be verified in 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.

Will be verified in ASA-1.

Status: Comply

5.13 Management review

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

The latest management review held on 1 June 2018, 16 attendants (Manager, Assistant Manager, Weighbridge Clerk, Grading Officer, and operational Supervisor)

	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>The management review has informed internal audit SCCS report, Customer feedback, production, Recommendations for improvement.</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>Will be verified in ASA-1.</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>The mill (Jerangau Baru POM) are received and processed FFB from its own estates (Chador 01, Rantau Abang 01 and Rantau Abang 02) which under its certification and from outsider : FTPSB (supplier under Felda), outgrower, independent dealer, and independent smallholders. In this case, Jerangau Baru POM will apply and can claim only the product produced from processing of the certified FFB as MB</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>The estimate of tonnage of CPO and PK that could potentially produced by the Jerangau Baru POM in the next 12 month (after obtain RSPO certificate) is describes below:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>For the next 12 month</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td>42.183 MT</td> </tr> <tr> <td>CPO</td> <td>8.015 MT</td> </tr> <tr> <td>PK</td> <td>2.320 MT</td> </tr> </tbody> </table> <p>Actual tonnage of certified product will be verified in ASA-1.</p>		For the next 12 month	FFB	42.183 MT	CPO	8.015 MT	PK	2.320 MT
	For the next 12 month								
FFB	42.183 MT								
CPO	8.015 MT								
PK	2.320 MT								
	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>Jerangau Baru POM has been registered in the RSPO IT Platform under id member : RSPO_PO100001902. Reporting and other requierement will be verified in the ASA-1 (after mill certified).</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. 								

Written procedure to ensure the implementation of all the requirement specified in the SCCS standard and system has been set and prepared by the mill on the SOP of “SOP Perkilangan untuk pematuhan sistem persijilan RSPO SCC (mass balance)” document no: FGVPM-RSPO SCC, issued no: 3.0, amendment 3.0, issued date 11 June 2018. Describes :

- General CoC
- RSPO SCC committee
- Department in charge : CDD and S&E FGVH
- Organization chart for SCC and its job desc :
 - Mill manager : responsible for ensuring the full application of the requirements in SCCS and SOP, validating all documents relating to mass balance adoption and inaugurating responsible board on SCCS.
 - Mill assistant : ensuring the implementation of SCCS audits, ensuring reporting of all SCCS implementation and updating of mass balance data and reports
 - Wheighbridge operator : ensuring FFB delivery notes from certified sources have been stamped RSPO-MB, ensuring all transport-unit which delivering FFB from certified sources have been registered in the system, ensuring that FFB certified and non-certified inputs are included in the appropriate category in the computer system

In SOP also has explained related to the transfer of FFB processing, FFB delivery from plantation to mill, CPO/PK delivery from mill to customer/buyer, record keeping (kept for more than two years after the audit), communication & claim and SCCS training (planned yearly).

In the SOP, the mechanism for complain and grievance has been set : if there is complaints and grievance and/or communications related to SCC will refer to FGV procedures relating to complaints handling and claims. Complaints and grievance can also be submitted directly to the RSPO through the website (www.rspo.org).

Status: Comply

E.3.2

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

Written procedure to ensure the implementation of all the requirement specified in the SCCS standard and system has been set and prepared by the mill on the SOP of “SOP Perkilangan untuk pematuhan sistem persijilan RSPO SCC (mass balance)” document no: FGVPM-RSPO SCC, issued no: 3.0, amendment 3.0, issued date 11 June 2018. Describes :

- General CoC
- RSPO SCC committee
- Department in charge : CDD and S&E FGVH
- Organization chart for SCC

In SOP also has explained related to the transfer of FFB processing, FFB delivery from plantation to mill, CPO/PK delivery from mill to customer/buyer, record keeping (kept for more than two years after the audit), communication & claim and SCCS training (planned yearly).

In the SOP, the mechanism for complain and grievance has been set : if there is complaints and grievance and/or communications related to SCC will refer to FGV procedures relating to complaints handling and claims. Complaints and grievance can also be submitted directly to the RSPO through the website (www.rspo.org).

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.

Will be verified in ASA-1.

Status: Comply

E.4.2	
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	
Will be verified in ASA-1.	
	Status: Comply
E.5	Record keeping
E.5.1	
<p>a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>	
Will be verified in ASA-1.	
	Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ST-2	Will be verify during Annual Surveillance Assessment	√
	Status: Comply	
2.	Implementation of certificate and trademark 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	√
	Status: Comply	
3.	Implementation of Certificate and trademark is not used on product	X or√
ST-2	Will be verify during Annual Surveillance Assessment	√
	Status: Comply	
4.	Controlling of Certificate and trademark, including withdrawing inappropriate logo.	X or√
ST-2	Will be verify during Annual Surveillance Assessment	√
	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 Sixty eight (68) 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="4">HCV clearance Kalimantan reported by Chain Research Reaction</td> </tr> <tr> <td>ISSUE</td> <td>ACTION</td> <td>PLAN</td> <td>DATE OF COMPLETION</td> </tr> <tr> <td></td> <td>PROGRESS</td> <td></td> <td></td> </tr> <tr> <td>HCV clearance at PT CNP and PT TAA</td> <td>Engaged independent consultant for ground investigation</td> <td></td> <td>20 April - 4th May 2016</td> </tr> <tr> <td></td> <td>Investigation finding presentation to FGV management</td> <td></td> <td>9th May 2016</td> </tr> <tr> <td></td> <td>Brief presentation to RSPO on the investigation findings</td> <td></td> <td>10 May 2016</td> </tr> <tr> <td></td> <td>Letter to stop all operation in HCV area</td> <td></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></td> <td>22nd May</td> </tr> <tr> <td></td> <td>Discussion on Conservation and remediation plan with RSPO technical Director</td> <td></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></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></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></td> <td>15 June 2016</td> </tr> <tr> <td></td> <td>Develop the Conservation and Remediation plan and relevant SOP</td> <td></td> <td>1st July 2016</td> </tr> </table>	HCV clearance Kalimantan reported by Chain Research Reaction				ISSUE	ACTION	PLAN	DATE OF COMPLETION		PROGRESS			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 FGVPM 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>FGVPM Chegar Perah 1</td> <td>59.32</td> <td rowspan="4">Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA & HCS ssesment.</td> </tr> <tr> <td>FGVPM Bukit Sagu 8</td> <td>61.54</td> </tr> <tr> <td>FGVPM Tembangau 5</td> <td>86.58</td> </tr> <tr> <td>FGVPM Selendang 3</td> <td>97.59</td> </tr> <tr> <td>FGVPM Krau 2</td> <td>170.78</td> <td rowspan="7">Waiting consultant (Aksenta) to start NPP assessment in February 2017.</td> </tr> <tr> <td>FGVPM Krau 4</td> <td>80.28</td> </tr> <tr> <td>FGVPM Bukit Sagu 6</td> <td>72.87</td> </tr> <tr> <td>FGVPM Lepar Hilir 5</td> <td>253.62</td> </tr> <tr> <td>FGVPM Tembangau 6</td> <td>495.53</td> </tr> <tr> <td>FGVPM Aring 10</td> <td>518.52</td> </tr> <tr> <td>FGVPM Setiu 01</td> <td>130.72</td> </tr> <tr> <td>Total</td> <td>1,722.32</td> <td></td> </tr> </tbody> </table>			ESTATE	HECTARAGE INVOLVES IN NPP	Status	FGVPM Chegar Perah 1	59.32	Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA & HCS ssesment.	FGVPM Bukit Sagu 8	61.54	FGVPM Tembangau 5	86.58	FGVPM Selendang 3	97.59	FGVPM Krau 2	170.78	Waiting consultant (Aksenta) to start NPP assessment in February 2017.	FGVPM Krau 4	80.28	FGVPM Bukit Sagu 6	72.87	FGVPM Lepar Hilir 5	253.62	FGVPM Tembangau 6	495.53	FGVPM Aring 10	518.52	FGVPM Setiu 01	130.72	Total	1,722.32	
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2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance	<p>Company Group/Holding Statement:</p>																																

	<p>procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</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</p>
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		<p>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> <p>19 August 2016 – Progress report submitted by Felda.</p>
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		20 September 2016 – Felde 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
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 FGVPM Palong Timur 04 (Now FGVPM Palong Timur 05) and the details is elaborated below: 1. FGVPM PALONG TIMUR 04 (NOW FGVPM PALONG TIMUR 05): Claims on 19.06.2012 with value of summon RM61,968.60 and summon status is Court Appeal</p>
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	: Sandra Purba
Date Issued	: 26/07/2018	Time Limit	: ASA-01
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 4.4.1 An implemented water management plan shall be in place.		
Non-Conformance Description& Evidence observed:			
FGV Chador 01 was not able to demonstrate evidence that a water analysis has been done according to the water management plan. Based on the document verification the last water quality test was done on 2016 while the management plan stated that analysis shall be done yearly.			
Root Cause Analysis:			
Corrective Action:			
Preventive Action:			
Assessor Evaluation and Conclusion:			
Verified by	:		

NCR No.	: 2018.02	Issued by	: Sandra Purba
Date Issued	: 26/07/2018	Time Limit	: 25/07/2019
NC Grade	: Major	Date of Closing	: 01 September 2018
Standard Ref. & Requirement	: 4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.		
Non-Conformance Description& Evidence observed:			
During field visit at riparian area Sungai Chador at Blok 11 at Chador 1 Estate, it was observed that there was traces of spraying activities in the buffer zone area which is against the SOP of " <i>Perlindungan Tanah Curam dan Rezab Sungai</i> ".			



Root Cause Analysis:

Lack of monitoring from the management in providing awareness to sprayers on the care of the buffer zone.

Corrective Action:

Estate management should conduct a training on awareness for sprayers especially in buffer zone. Set the training and awareness plan in aim to maintain the concerns of spraying workers regarding the buffer zone

Preventive Action:

Monitoring by estate management through estate management meetings as well as periodic reviews by Sustainability Internal Audit.

Assessor Evaluation and Conclusion:

Verification on 21 Aug 2018,

The company has submit the correction evidence such as record of training and socialization to workers for example on 4 Aug 2018 to 12 workers (awareness of spraying operator on buffer zone, training of aspect and impact as well as socialization of SOP), record of training and awareness need analysis for sprayers and foreman wich informs that the respective workers are need to trained related to agro-chemicals hazar, PPE use, spraying and agro-chemicals management (total workers 9). Furthermore, there was submitted the record of training evaluation of workers including te spraying team and the record of zone head field visit on 1 Aug 2018 to Ladang Chador 1.

Verification on 1 Sept 2018,

The company has been submit the additional correction evidence related to training and awareness program for 2018, in the program has been included the training of "latihan penerangan buffer zone" and "latihan polisi perlidungan tanah curam dan rezab sungai". Based on the evidence **the nonconformance stated closed with observation**. The implementaion will be observed in next assessment.

Verified by : Sandra Purba

NCR No.	: 2018.03	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 26/07/2018	Time Limit	: 25/07/2019
NC Grade	: Major	Date of Closing	: 21/08/2018
Standard Ref. & Requirement	: 4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.		

Non-Conformance Description& Evidence observed:	
During the site observation audit at Rantau Abang 01, it was observed that the handling of N95 particulate respirator was not according to user instruction where N95 particulate respirator was washed and reuse after dried.	
Root Cause Analysis:	
Lack of understanding by the management in providing information on proper use of PPE to employees	
Corrective Action:	
Estate management should conduct a training on proper use of PPE (especially N95) to employees	
Preventive Action:	
Monitoring by estate management through OSHA meetings and periodic reviews by Sustainability Internal Audit.	
Assessor Evaluation and Conclusion:	
Verification 21st August 2018	
Management unit showed corrective and preventive evidence, such as:	
<ol style="list-style-type: none"> 1. Minute of meeting of PPE procedure training in Rantau Abang 01 Estate on 7th August 2018 attended by 10 participants. Available also photo activities. 2. Training evaluation of 10 participants 3. Monitoring of PPE usage on 08th, 09th, and 11th August 2018 for manuring worker. It explain number of worker, type of PPE and its condition. 4. Minute of meeting of OHS meeting. The document explains that monitoring PPE is carried out by supervisor and foreman every day when roll call and during work activities. 	
Based on evidence sent, auditor team conclude that this non conformity is closed with observation in next surveillance visit.	
Verified by	: Asystasya Aishah Silalahi

NCR No.	: 2018.04	Issued by	: Sandra Purba
Date Issued	: 25/07/2018	Time Limit	: ASA-01
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.		
Non-Conformance Description& Evidence observed:			
Based on the field visits at Scheduled waste store KKS Jerangau Baru, it was observed that the last date registered for disposal of SW 410 Spent filter is on 20 th April 2016 which is more than 180 days of storage. This is against the requirement of scheduled waste regulation 2005.			
Root Cause Analysis:			

Corrective Action:	
Preventive Action:	
Assessor Evaluation and Conclusion:	
Verified by	:

3.5.3 Opportunity for Improvement

No	Ref Std.	Descriptions
1	2.1.1	<p>I. The Jerangau Baru mill has not obtained the fire certificate. However, the management has presented a management plan for the fire system installation that applicable all the mills which under the administration of FPSB. Based on the plan (As-Built Drawing, Architect Drawing, M&E Drawing) the mill scheduled for an inspection in 2023 and the Fire Fighting System (Date of Commencement) will be in 2024.</p> <p>II. Anuar bin Mohd. Noor has attended the Certified Environmental Professional in Waste Management (CePSWaM) in 02-07/07/18 and has a timeline until May 2019 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> <p>III. Certified Environmental Professional in the Operation of Palm Oil Mill Effluent Treatment System – Pond Processes (CePPOMETs) – Ahmad Zulkhairi bin Muhamad # CePPOME/15012 has submitted the FTR and pending for interview result.</p> <p>IV. Estate are encourage to make sure the total areal on the MPOB License</p> <ul style="list-style-type: none"> - Chador 01 - MPOB License – 562260002000, expires on 30/06/19 [2522.5 Ha but planted area is 2255.30 Ha] - Rantau Abang 01 - MPOB License – 559820002000, expires on 31/03/19 [2770.74 Ha but planted area is 1484.32 Ha] - Rantau Abang 02 - MPOB License – 616086002000, expires on 31/12/18 [1,435.5 Ha but planted area is 1,058.94 Ha]
2	2.2.2	Consideration to made boundary marker with GPS coordinate especially Chador 01 Estate
3	4.6.10	Consistency of tripled rinse implementation
4	4.7	Improvement of PPE inspection effectiveness especially Rantau Abang 01 Estate
5	5.1.2	Action plan of significant aspect and impact is considered to cover more all related activity especially for Chador 01 Estate

3.5.4 Noteworthy Positive Components

No	Description
1	The sampled workers and management staff has demonstrated good awareness on Sustainability Palm Oil requirements.
2	The mill is maintaining good milling practices and good occupational safety awareness through frequent trainings.
3	The mill has started composting plant for by product production.
4	The mill has certified for ISO 9001:2015, ISO 14001:2004 and OHSAS 18001:2007
5	The annual medical surveillance for spray worker seen well coverage on the complementary test including lipid studies and liver function.
6	The payslip sighted in various foreign languages, such as Hindi and Bangladesh.
7	Signages in regards to safety and environment seen effectively implemented.

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Contractors of FFB Transport FGV Rantau Abang 01</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 FGV Rantau Abang 01 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 Rantau Abang 01, Chador 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. Workers representative are from mandore and had been translator for the new workers into the estate. 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 Rantau Abang 01 and Chador 01</p>
<p>Gender Comitee From Rantau Abang 01, 02, and Chador 01</p> <p>6 representative from Kelab Kebajikan Daya Budi (KKD) fo FGV estate that acted as gender committee. The club represented by female staff f FGV and wife of the male staff and managers of the estate. Based on the interview, the members and club had been allocated budget for each. The budget are approved based on the activity proposed by them. So far, there is no constraint and critical issues related to the genders in the estate. The company also had briefed them regarding the gender policy and human right of FGVP.</p>	<p>FGV Management will keep a good relation with Gender Committee from the respected estate and help them in the related matters.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Teacher from SK Bukit Bading (local govt)</p> <p>2 teachers from SK Bukit Bading Primary school had attended the meeting. They expressed the satisfaction from the school as the FGV Chador 01 had cooperate with them in terms of machineries using for grass cutting and cooperation to pass through the estate for school activities.</p>	<p>No issues raised. FGV Chador 01 will continue the cooperation with local people and school government 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>Signed on behalf of:</p> <table border="0" data-bbox="367 806 1340 1198"><tr><td data-bbox="367 806 766 884">Felda Global Ventures Holdings Bhd Management Representative</td><td data-bbox="1069 806 1340 884">Mutuagung Lestari Lead Auditor</td></tr><tr><td data-bbox="367 952 718 1086"></td><td data-bbox="1117 884 1244 1120"></td></tr><tr><td data-bbox="399 1120 718 1198"><u>Norazam Abdul Hameed</u> Monday, 03 September 2018</td><td data-bbox="1021 1120 1340 1198"><u>Muhammad Rinaldi</u> Monday, 03 September 2018</td></tr></table>	Felda Global Ventures Holdings Bhd Management Representative	Mutuagung Lestari Lead Auditor			<u>Norazam Abdul Hameed</u> Monday, 03 September 2018	<u>Muhammad Rinaldi</u> Monday, 03 September 2018
Felda Global Ventures Holdings Bhd Management Representative	Mutuagung Lestari Lead Auditor						
							
<u>Norazam Abdul Hameed</u> Monday, 03 September 2018	<u>Muhammad Rinaldi</u> Monday, 03 September 2018						

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Gender Committee of FGV Jerangau baru	Ajil, Terengganu, Country of Malaysia.	-	Interview	July 23 th , 2018.	√	-
2.	Contractors of FFB Transportation	Ajil, Terengganu, Country of Malaysia.	-	Interview	July 23 th , 2018	√	-
3.	Three Foreign workers representative in Rantau Abang 01 & Chador 01	Ajil, Terengganu, Country of Malaysia.	-	Interview	July 23 th , 2018	√	-
4.	Teacher from SK Bukit Bading (local government)	Ajil, Terengganu, Country of Malaysia.	-	Interview	July 23 th , 2018	√	-
5.	Chador 01: 2 Harvesters 2 spraying workers 2 manuring workers	Block 26, Block 27 Chador Estate	-	Interview	July 24 th , 2018.	√	-
6.	Rantau Abang 01: 3 harvesters 1 spraying worker 5 manuring worker	Block 14, block 6, Block PM02D Rantau Abang 01	-	Interview	July 25 th , 2018.	√	-
7.	Jerangau Baru POM 1 grading worker 1 boiler operator 1 weighbridge operator	Jerangau Baru, Terengganu, Country of Malaysia	-	-	July 23 th , 2018	√	-
8.	Suhakam-National Human Rights Society	11th Floor, Menara TH Perdana, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia.	humanrights@suhakam.org.my	Email	May 14 th , 2018.	-	√
9.	NUPW –National Union of Plantation Worker	No 2, Jalan Templer, 46000 Petaling Jaya, Selangor	sangkara@mail.tm.net.my	Email	May 14 th , 2018.	-	√
10.	Traffic - the wildlife trade monitoring network	Unit 3-2, 1st Floor, Jalan SS23/11, Taman SEA, 47400 Petaling Jaya, Malaysia.	tsea@traffic.org	Email	May 14 th , 2018.	-	√
11.	Malaysian Environmental NGOs	Lorong Burhanuddin Helmi 11, Taman Tun Dr. Ismail, 60000 Kuala Lumpur, Malaysia.	admin@mengo.org	Email	May 14 th , 2018.	-	√

Appendix 2. Assessment Program			
DATE		22 – 27 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Sunday, 22 July 2018			
08.35 - 12.00	08.35 - 12.00	Jakarta – Kuala Lumpur	All Auditor
15.00 – 16.00	15.00 – 16.00	Kuala Lumpur – Terengganu	
Monday, 23 July 2018			
08.00 – 09.00	08.00 – 09.00	Opening meeting <ul style="list-style-type: none"> - Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit) - Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification) 	All Auditor
09.00 – 12.00	09.00 – 12.00	<ul style="list-style-type: none"> • Document Audit and Field visit to <u>Jerangau Baru 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) Interview & FGD with Worker’s Union, Gender Committee, Local Contractor, Local Communities, Jabatan.	AAS / SPA MRD
12.00 – 13.00	12.00 – 13.00	Break	
13.00 – 16.00	13.00 – 16.00	<ul style="list-style-type: none"> • Document Review: <ul style="list-style-type: none"> - Verification of Basic Information Mill and Estate - Confirmation of Time Bound Plan - Review of Partial Certification • Document review & Follow-up and Clarification of Field Observation 	All Auditor
Tuesday, 24 July 2018			
08.00 - 12.00	08.00 - 12.00	Document Audit and Field Visit to <u>Chador 01</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 	All Auditor

DATE		22 – 27 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		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)	
12.00 – 13.00	12.00 – 13.00	BREAK	
13.00 – 16.00	13.00 – 16.00	<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, 25 July 2018			
08.00 – 12.00	08.00 – 12.00	Field Visit to Rantau Abang 01 - 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); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) Field Visit to Rantau Abang 02 - 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)	AAS SPA MRD
12.00 – 13.00	12.00 – 13.00	BREAK	
13.00 – 16.00	13.00 – 16.00	<ul style="list-style-type: none"> • Document review at Rantau Abang 02 • Follow-up and Clarification of Field Observation 	All Auditor
Thursday, 26 July 2018			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> • Document review at Rantau Abang 01 • Follow-up and Clarification of Field Observation 	All Auditor
12.00 – 15.00	12.00 – 15.00	Internal discussion by auditor team preparing for Closing Meeting	
15.00 – 17.00	15.00 – 17.00	<ul style="list-style-type: none"> • Closing Meeting - Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/ - Comments, Responses and Questions 	All Auditor

DATE		22 – 27 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Friday, 27 July 2018			
07.00 – 10.00	07.00 – 10.00	Travelling from Terengganu – KL	All Auditor
12.50 -	12.50 -	Travelling from KL to Jakarta	