

Malaysian Sustainable Palm Oil Certification
MSPO – PART 3 (GENERAL PRINCIPAL FOR OIL PALM PLANTATIONS AND ORGANISED SMALLHOLDERS)

Stage-1 Stage-2 Surveillance Re-Certification

Plantation Management/Owner : FELDA LAND DEVELOPMENT AUTHORITY (FELDA)

Plantation Name : FELDA Gugusan Raja Alias

Location : 72120, BANDAR SERI JEMPOL, NEGERI SEMBILAN

Certificate Code : **MUTU-MSPO/xxx**

Date of certificate issue : **Date Month Year**

Date of expiry of certificate : **Date Month Year**

Assessment	Assessment Date	Mutuagung Lestari Malaysia Auditor	Review by	Approve by
Main/ST-2	11 th - 13 th November 2017	Mohd Hairimi (Lead Auditor), Yap Chin Hung, Mohd Amarullah, Steve Mualim		

Assessment	Approved by MUTUAGUNG LESTARI MALAYSIA SDN BHD on:
Main/ST-2	Date month year

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FIGURE
Figure 1. Location Map of FELDA Gugusan Raja Alias

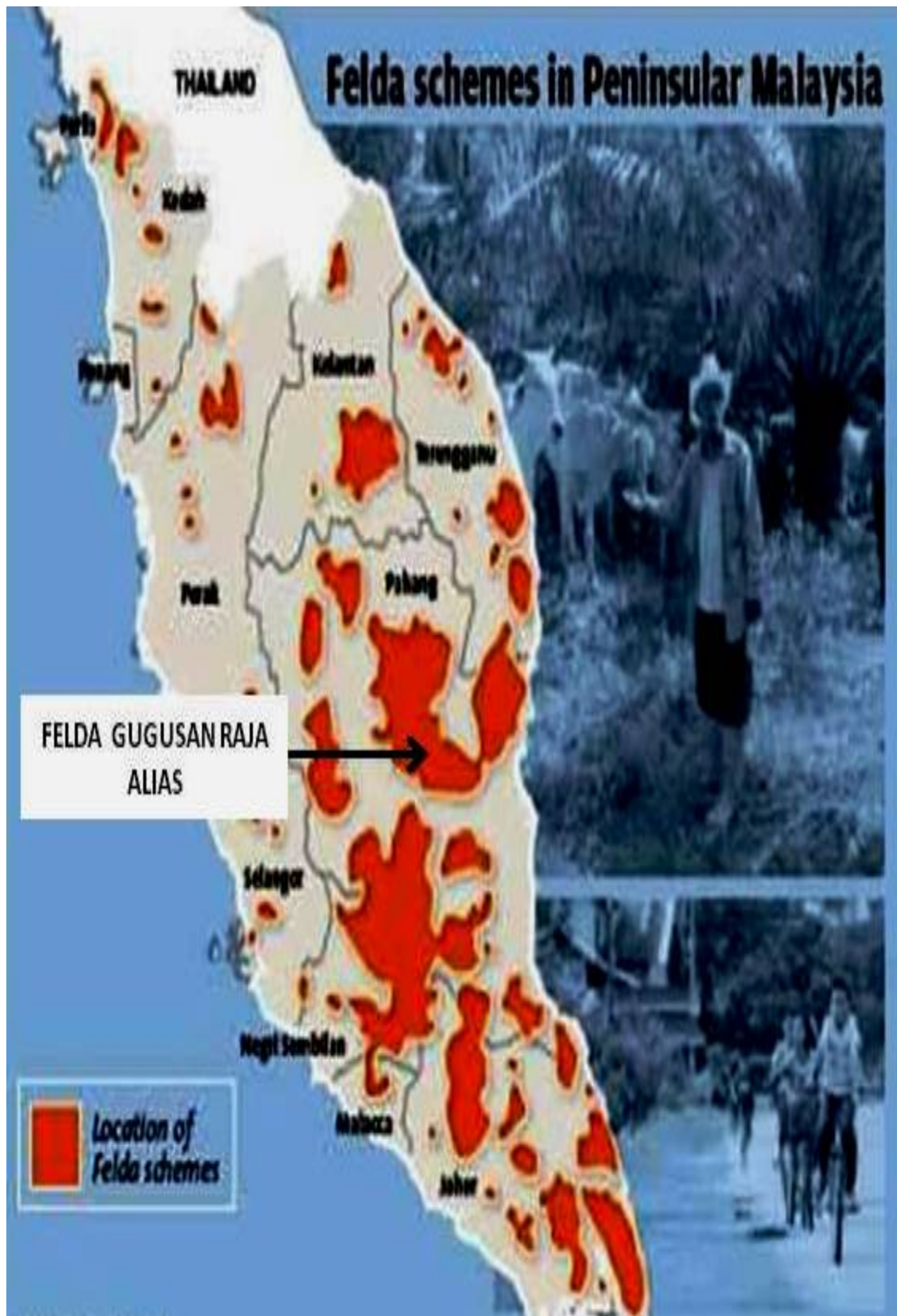


Figure 2. Operational Map of FELDA Gugusan Raja Alias (Raja Alias 01)

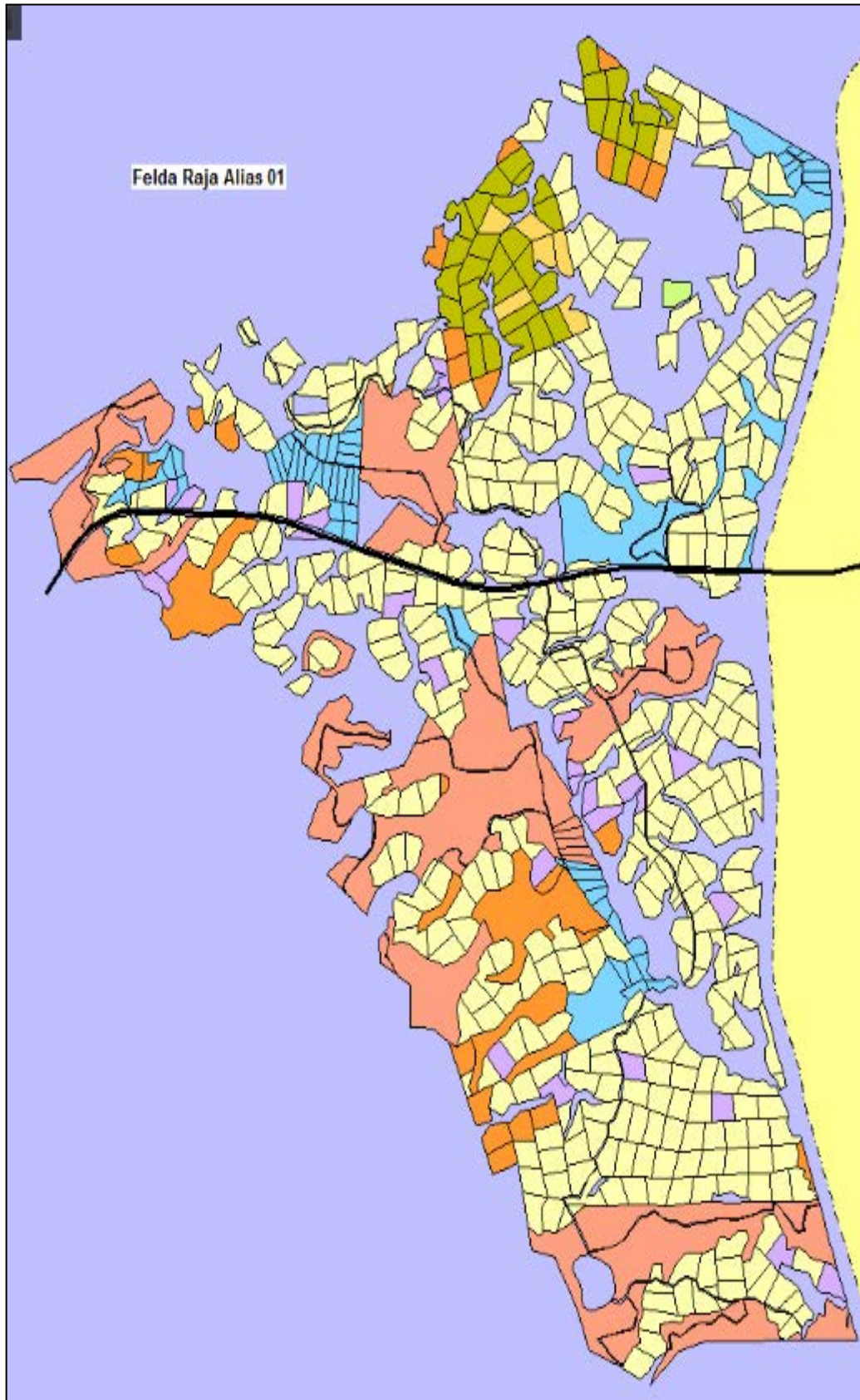


Figure 3. Operational Map of FELDA Gugusan Raja Alias (Raja Alias 02)

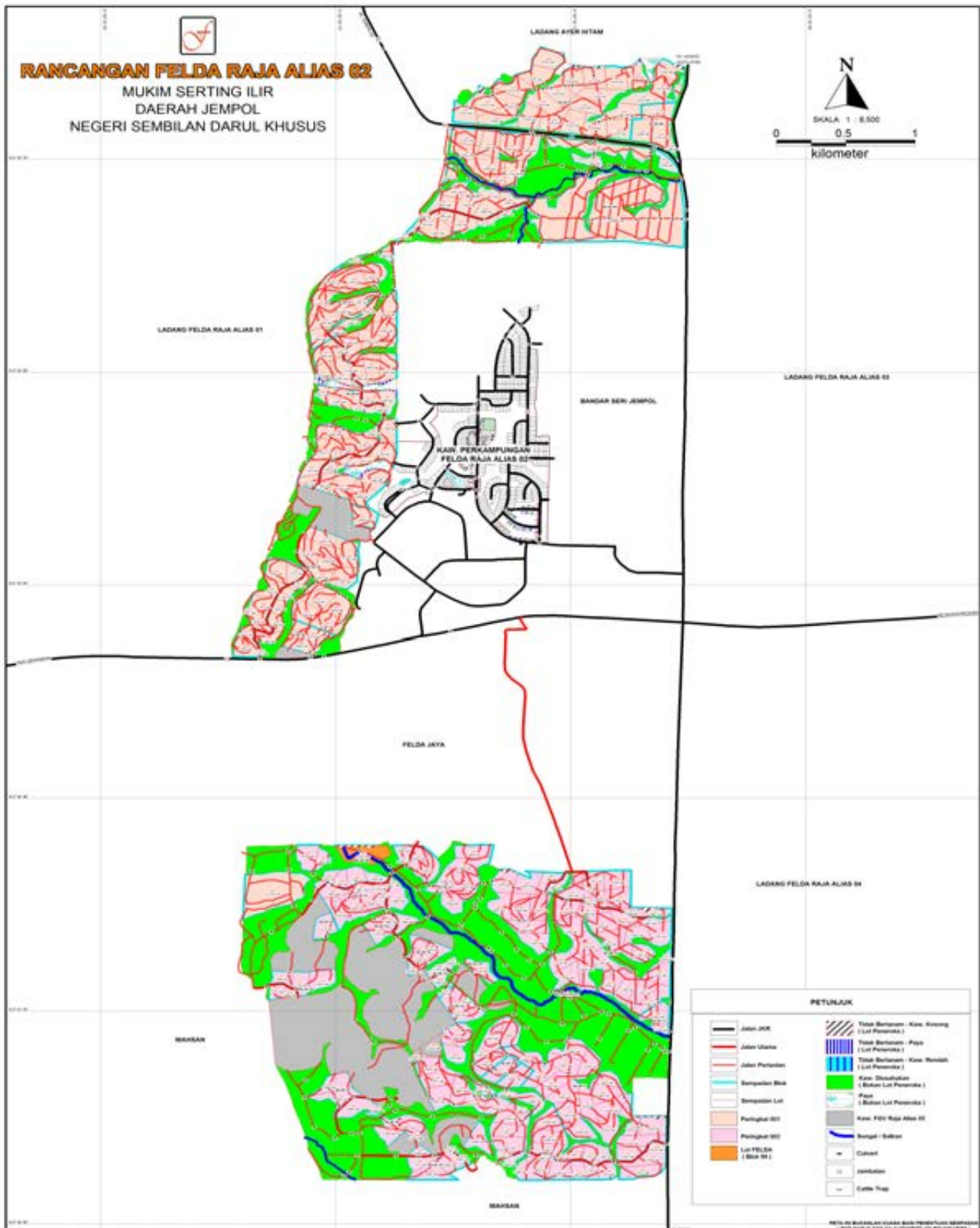


Figure 4. Operational Map of FELDA Gugusan Raja Alias (Raja Alias 03)

FELDA RAJA ALIAS 3

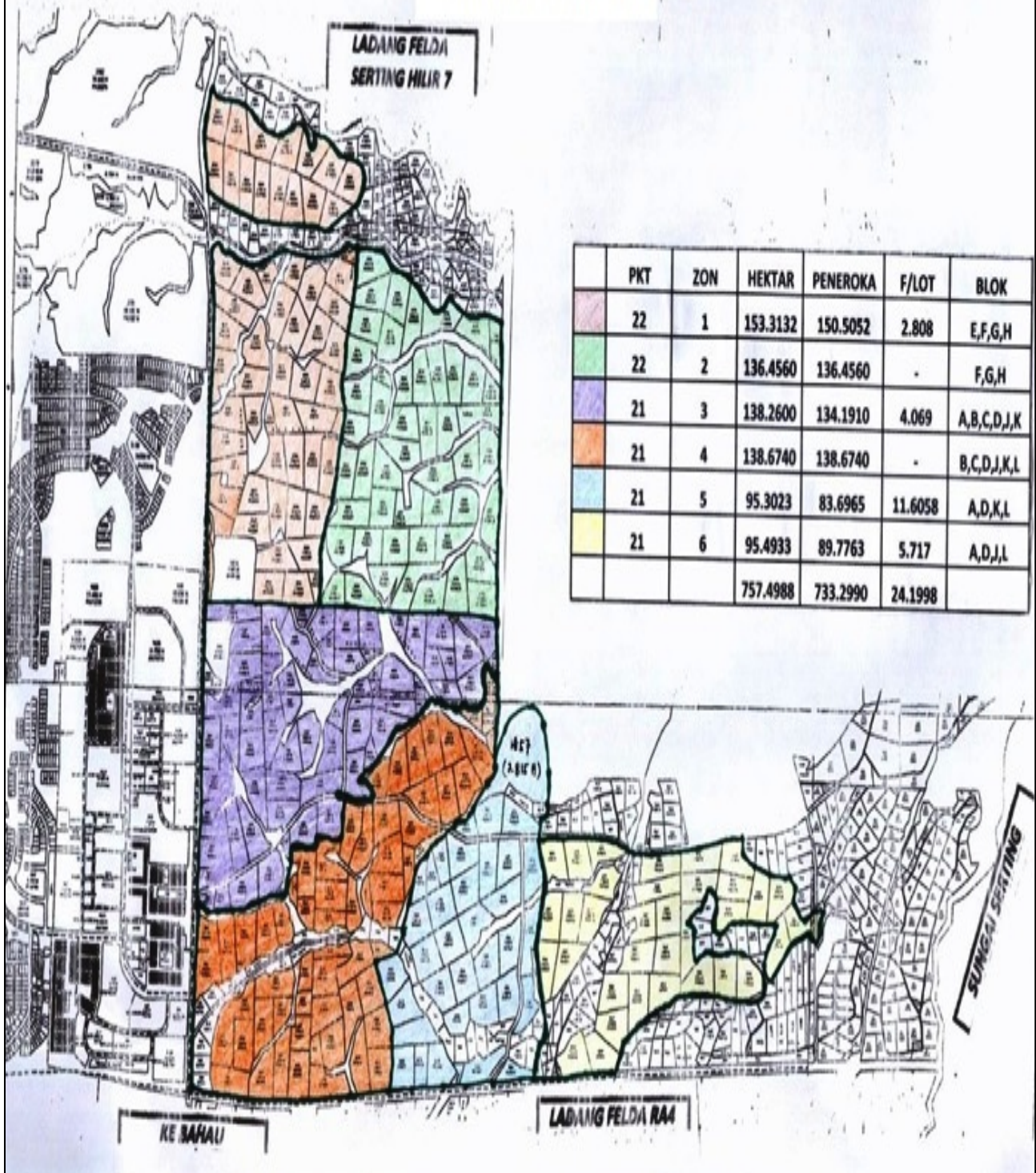
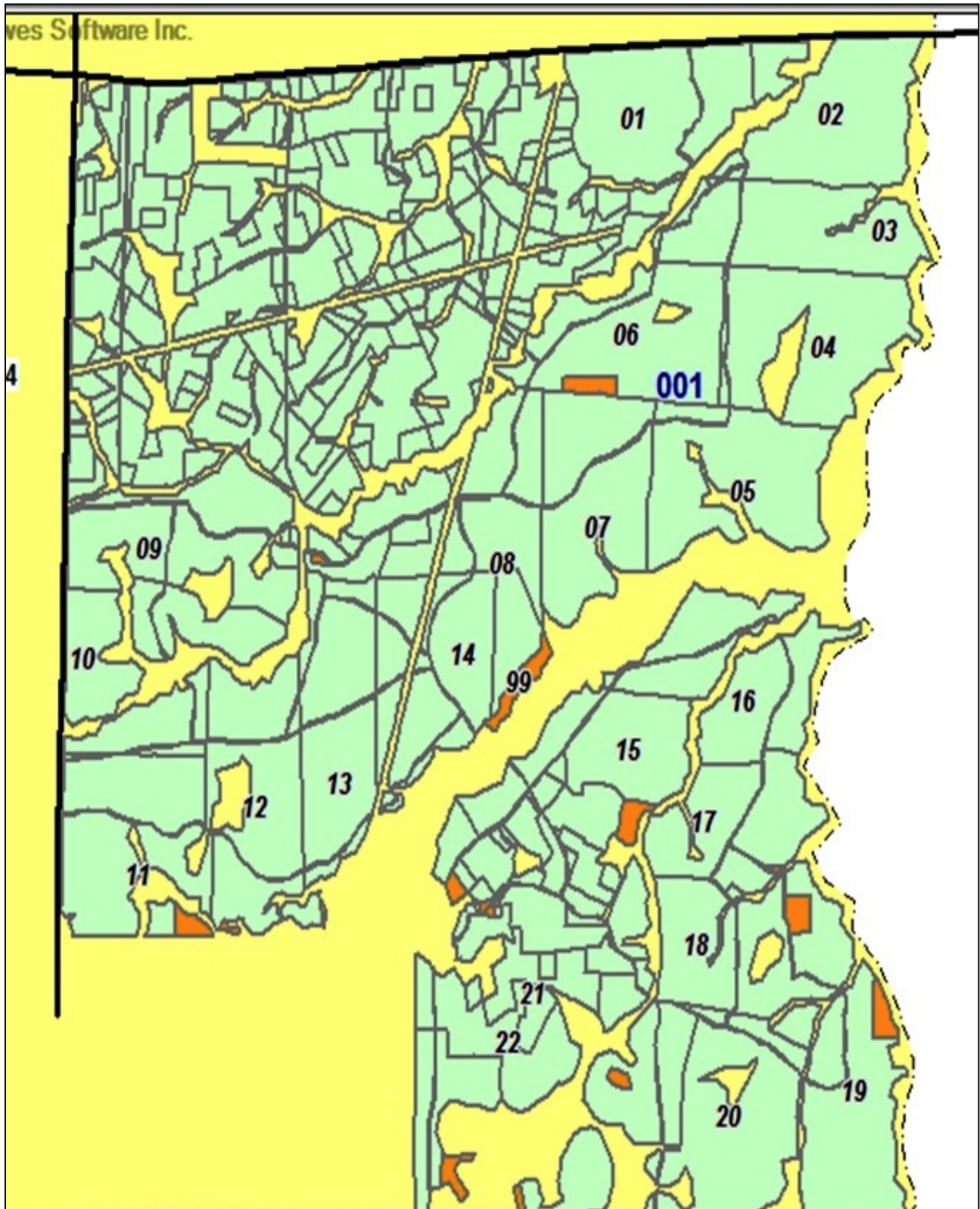


Figure 5. Operational Map of FELDA Gugusan Raja Alias (Raja Alias 04)



1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1	Assessment Standard Used	Malaysian Sustainable Palm Oil Certification MSPO – Part 3 (General Principal for Oil Palm Plantations and Organized Smallholders)	
1.2	Organization Information		
1.2.1	Company name	FELDA Land Development Authority (FELDA)	
1.2.2	Contact person	Ahmad Shahrir Bin Ismail (FELDA Sustainability Officer)	
1.2.3	Company address and site address	36th Floor, Jabatan Perladangan FELDA, Menara FELDA	
1.2.4	Telephone	03-2191 2129	
1.2.5	Fax	03-2191 2588	
1.2.6	E-mail	shahrir.i@feldaglobal.com	
1.2.7	Web page address	www.felda.net.my	
1.3	Supply Base(s) Information		
1.3.1	Location of Plantation's or Organized Smallholders Estates		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	FELDA RAJA ALIAS 01	72120, BANDAR SERI JEMPOL, NEGERI SEMBILAN	2°54'33.7"N 102°24'14.5"E
	FELDA RAJA ALIAS 02		2°54'0.2"N 102°23'47.1"E
	FELDA RAJA ALIAS 03		2°54'31.2"N 102°24'13.1"E
	FELDA RAJA ALIAS 04		2°53'49.6"N 102°23'45.1"E
1.3.2	Description of Supply Base(s) Forecasted FFB by Estate(s)		
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)
	FELDA RAJA ALIAS 01	2138.97	1945.62
	FELDA RAJA ALIAS 02	1507.19	967.60
	FELDA RAJA ALIAS 03	1160.93	1095.81
	FELDA RAJA ALIAS 04	2090.07	1906.45
	TOTAL	6897.16	5915.48
	Projected Volume for the past year Aug 2016 to Sept 2017	Actual volumes Aug 2016 to Sept 2017	Projected volume Oct 2017 to Sept 2018
	FFB	FFB	FFB
	14,558.38	8876.80	23,085
*Source 12 month Forecasted CPO/PK Production Data by the Company. Use either 12 months forecast from audit or company's next year's forecast.			
1.4	Other Certifications		

ISO 9001:2008	-
ISO 14001: 2004	-
OHSAS 18001:2007	-
ISCC	-
Others	-

2.0	ASSESSMENT PROCESS
2.1	Certification Body
	Mutuagung Lestari Malaysia Sdn Bhd. B-0926 Empire Soho, Empire Shopping Gallery, Jalan SS 16/1 Subang Jaya, 47500 Petaling Jaya, Selangor, Malaysia Website: www.mutucertification.com Email: hari@mutucertification.com
2.2	Assessment Team
Main / ST-2	<p>Mohd Hairimi Mohd Ali (Lead Auditor) Malaysian citizen (Fluent in Local Language) Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honors (Geography). Has Attended several training such as Lead Auditor MSPO on December 2018, ISO 14001:2004 Lead Assessor Training. Has conducted RSPO audit since 2014. Registered as assistant consultant on Social Impact Assessment with DOE Malaysia AC 1105, and certified on CESSWI 3756 (Certified Erosion Sediment and Storm Water Inspector). He was involved for past 7 years in environment auditing and in Social and Environmental Impact Assessment Report (EIA and SIA). During this audit he has been assigned to verify the Social aspect & Worker Welfare.</p> <p>Mohamad Amarullah (Auditor) Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Have experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has conducted several ISPO and RSPO audit scheme as an Auditor since 2014 in Legal, BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. At the time of audit, has appointed to verify OSH, training, management plan and open burning.</p> <p>Steve Muallim (Auditor) Steve Muallim. Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in bahasa and chinese mandarin. At this time of audit, verified aspects of environmental management.</p> <p>Yap Ching Hung (Auditor). Graduated from University of Malaya with a Bachelor of Engineering (Honours) Degree</p>

in Manufacturing Engineering. He is a member of the Institute of Engineers, Malaysia. He had consulted and trained clients from various industries such as chemical, metal fabrication, engineering, electronics, manufacturing, fabrications, plastics, construction and trading in setting up and implementing the Management Systems based on ISO 9001, ISO 14001, ISO 13485, ISO 2200, HACCP, GMP, FSC and OHSAS 18001. Along his service as ISO consultant, he has assist more than 100 companies to obtain the ISO certification from various Certification Body. Yap is also the associate auditor for QE Certification, UK helping in carrying out 3rd party certification audit for ISO 9001, ISO 14001, and ISO 22000 & OHSAS 18001. At the time of audit, has appointed to verify Legality, social aspect, land dispute, HCV and environmental aspect

2.3	Assessment Methodology, Assessment Process and Locations of Assessment
2.3.1	Figure of person days to implement assessment
Main/ST-2	Number of auditors: 4 auditor Number of days for Main/Stage-2 at site: 1 day Number of working days for Main/Stage-2 at site: 2 Working days

2.3.2	Detail process of assessment
Main / ST-2	<p>Mutuagung Lestari Malaysia Sdn. Bhd. [thereafter known as MUTU] has conducted on-site Certification Assessment for FELDA Gugusan Raja Alias from 14th - 15th November 2017 by 4 auditors as to assess the compliance of the certification unit against the Malaysian Sustainable Palm Oil Certification MSPO – Part 3 (General Principal for Oil Palm Plantations and Organized Smallholders). Stage 1 audit has been conducted on 21th – 22st November 2017.</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) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase. All information obtained was recorded in Check List of MUTU. It was witnessed, the estate was having full operation during the scheduled time of visit. This allows the audit team start from the planning and then walk through the field operation process which eliminates the risk of missing certain key aspects.</p>

DATE		11 th to 13 th December 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Thursday / Khamis, 14th December 2017			
08.30 - 09.30		Opening Meeting → Raja Alias 02 Estate Office (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives, Transparency and Confidentiality Clarification and Audit Agenda Explanation)	All management Raja Alias Complex All auditors
09.30 - 13.00		Document Verification and Field Visit → Raja Alias 02 Estate <ul style="list-style-type: none"> External Stakeholder Consultation – client to advise location Collect Basic Information Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management OSH document verification and implementation, License and Legal POME Pond and Land Application, Schedule waste store Worker's Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) Interview with Worker's Union, Gender Committee, Local Contractor, sample Local Communities 	HAI YCH AMR STM
13.00 – 14.00		Break	
14.00 – 17.00		Continue of Document Review → Raja Alias 02 Estate <ul style="list-style-type: none"> Document Verification & Completion of Check List 	All auditors
Friday /Jumaat, 15th December 2017			
08.30 - 13.00		Document Review and Field Visit → Raja Alias 04 Estate <ul style="list-style-type: none"> Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc); Environmental, Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) Worker's Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) 	AMR YCH STM HAI
13.00 – 14.00		Break	
14.00 – 17.00		Continue of Document Review → Raja Alias 04 Estate <ul style="list-style-type: none"> Document Verification & Completion of Check List 	All Auditors
17.00 – 18.00		Closing Meeting <ul style="list-style-type: none"> Auditor Team (Explanation of Identified Nonconformities and Completion of Corrective Timeline, Answer & Questions) Auditee Response against Assessment Findings 	All Auditors All management
2.3.3	Locations of Assessment		
MAIN / ST-2	FELDA Gugusan Raja Alias Supply Base[s]: Raja Alias 01 Estate, Raja Alias 02 Estate, Raja Alias 03 Estate, and Raja Alias 04 Estate. Audit Sample : 2 Supply Bases (Raja Alias 02 Estate and Raja Alias 04 Estate)		
2.4	Stakeholder Consultation		
2.4.1			

MAIN / ST-2	Consultation of stakeholders for Federal Land Development Authority [Felda], Seriting Hilir Complex held by: <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com on 10th November 2017. 2. Consultation meeting and interview with locals of the nearby village, FFB supplier and contractor on 12/12/2017. 3. Consultation meeting and interview with union and gender committee on 12/12/2017. <p>Numbers of input from stakeholders were clarified by Seriting Hilir Complex.</p>
2.5	Determining Next Assessment
	The next visit of ASA 1 will be determined one year after this Main / ST-2.

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the MSPO Certification

MUTU has conducted the main / ST-2 assessment of Seriting Hilir Complex - Federal Land Development Authority [Felda], operation consisting of three (3) estates. During this assessment, one (1) Minor Nonconformity and four (4) opportunities for improvement were identified against MS 2530-3:2013. Further explanations of the non-conformities raised are provided in section 3.5. MUTU found that FELDA Gugusan Raja Alias - Federal Land Development Authority [Felda], complied with the requirements of Malaysian Sustainable Palm Oil Certification MSPO – Part 3 (General Principal for Oil Palm Plantations and Organized Smallholders). Since the audit objectives as mentioned in the audit plan have been achieved and assessment that was resulted with no major non-conformity, therefore the lead auditor recommends FELDA Gugusan Raja Alias for compliance with the Malaysian Sustainable Palm Oil Certification MSPO – Part 3 (General Principal for Oil Palm Plantations and Organized Smallholders).

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
4.1 PRINCIPLE 1 MANAGEMENT COMMITMENT AND RESPONSIBILITY		
4.1.1 Malaysian sustainable palm oil (MSPO) policy		
4.1.1.1		
Indicator 1: A policy for the implementation of MSPO shall be established.		
<p>Polisi Pengeluaran Minyak Sawit Lestari Dalam Kumpulan FELDA dated 1/11/2017 observed. This policy signed by Pengarah Besar Felda, Dato' Ab Ghani Mohd Ali. Sufficient information and commitment observed in total 16 policies that applicable to relevant area.</p> <p>Communication to all employee performed thru memo dated 28/11/2017 observed.</p> <p>List of policy observed :</p> <ul style="list-style-type: none"> a) Polisi Pengeluaran Minyak Sawit Lestari Dalam Kumpulan Felda b) Polisi Kesetaraan Peluang c) Polisi Communication d) Polisi Perlindungan Tanah Curam and Rezab Sungai e) Polisi Larangan Buruh Kanak-Kanak f) Polisi Tanam Semula g) Polisi Penggunaan Racun Paraquat h) Polisi Pengurusan pekerja asing i) Polisi protection and maintenance of environmental <p><u>Raja Alias 02 & 04 Estates</u> JKKR Meeting dated 20/11/2017 observed with communication of new policies observed at Balai Raya Raja Alias. Interviewed Mr Ikmal Hakim and found he is well informed with the new policies. Time bound plan for MSPO certification observed for year 2017, 2018 & 2019.</p>		
	Status:	Comply
4.1.1.2		
Indicator 2: The policy shall also emphasize commitment to continual improvement.		
Yes, the policy emphasize on continual improvement and palm oil sustainability.		
	Status:	Comply
4.1.2 Criterion 2: Internal audit:		
4.1.2.1		
Indicator 1: Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.		
<p>Manual Kelestarian, Effective date Jan 2017 Paragraph 3 Internal audit stated annual internal audit planned and audit shall be performed using standard checklist.</p> <p><u>Raja Alias 02 Estate</u> Last internal audit performed on 29/11/2017 by Mr Muhammad Zamree, Mr Fahmi & Mr Shahremy using checklist Internal Audit (Sustainability Felda).</p> <p><u>Raja Alias 04 Estate</u> Last internal audit performed on 14 & 15/11/2017 by Mr Ahmad Shahrir and MrMuhamad Zulhilmi using checklist Internal Audit (Sustainability Felda).</p> <p>Competency of internal auditor review with audit notes. Found competence and well verse with MSPO.</p>		
	Status:	Comply
4.1.2.2		
Indicator 2: The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.		
Internal audit procedure, ML-1A/L1 ,effective date Sept 2014 observed with relevant processes defined and documented.		
<u>Raja Alias 02 Estate</u>		

Internal audit report dated 28/11/2017 observed and found relevant NCR raised. Summary of NCR observed with action plan available.		
<u>Raja Alias 04 Estate</u>		
Internal audit report dated 14 & 15/11/2017 observed with relevant NCR identified. Follow up on closure of NCR observed.		
Special meeting held for NCR closing discussion cover whole complex. NCR summary report observed with sufficient root cause and corrective action plan. Relevant completion time frame assigned. Meeting minutes dated 4/12/2017 observed.		
	Status:	Comply
4.1.2.3		
Indicator 3: Report shall be made available to the management for their review.		
<u>Raja Alias 02 & 04 Estates</u>		
Internal audit report including closure of NCR was presented during management review meeting dated 28/11/2017. NCR summary presented and corrective action plan also presented.		
	Status:	Comply
4.1.3 Criterion 3: Management review		
4.1.3.1		
Indicator 1: The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.		
<u>Raja Alias 2 & 4 Estates</u>		
Management review meeting conducted together with Jawatankuasa Pemufakatan, Produktiviti and Kualiti (JPPK). Internal audit report and findings presented and some MSPO issue discussed during the meeting. Consideration to set the specific duration for management review meeting and improve the coverage of discussion for the review of continuous suitability, adequacy and effectiveness implementation of MSPO (Observation).		
	Status:	#OFI 4.1.3.1
4.1.4 Criterion 4: Continual improvement		
4.1.4.1		
Indicator 1: The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.		
<u>Raja Alias 02 & 04 Estates</u>		
Action plan for social and environmental aspect and impact observed:		
<ul style="list-style-type: none"> a) Reduction on use of pesticide b) Recycle program and waste reduction program c) GHG reduction program d) Social improvement program e) Pollution decreasing program 		
Relevant programs planned for year 2017 & 2018.		
	Status:	Comply
4.1.4.2		
Indicator 2: The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption.		
<u>Raja Alias 02 & 04 Estates</u>		
Innovative & Creative Team event organized on yearly basis for technology improvement. Innovative and Creative Team report for year 2016 observed. Study on reduction of rat attack observed.		
	Status:	Comply
4.1.4.3		
Indicator 3: An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.		

<u>Raja Alias 02 & 04 Estates</u>	
Action plan for social and environmental aspect and impact observed:	
<ul style="list-style-type: none"> a) Reduction on use of pesticide b) Recycle program and waste reduction program c) GHG reduction program d) Social improvement program 	
Relevant programs planned for year 2017 & 2018. Relevant requirements such as training, new technology improvement, etc observed.	
Status:	Comply
4.2 PRINCIPAL 2: TRANSPARENCY	
4.2.1 Criterion 1: Transparency of information and documents relevant to MSPO requirements:	
4.2.1.1	
Indicator 1: The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.	
<u>Raja Alias 02 Estate</u>	
Application and feedback record used to capture requirement and communication from interested parties. Relevant communication from interested parties observed from receiving until feedback to relevant parties. Details of feedback recorded in the communication book.	
<u>Raja Alias 04 Estate</u>	
Record incoming correspondence, outgoing correspondence, and record of communication to headquarter observed and status defined. Small holder complaint record observed. Facebook complaint dated 12/12/2017 observed with relevant response action observed.	
All request and communication observed with status of follow up and found all responded.	
Status:	Comply
4.2.1.2	
Indicator 2: Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
<u>Raja Alias 02 & 04 Estates</u>	
Communication Procedure, SOP/JPLDG/PK/1 observed and identify the methodology of communication including internal and external communication. Relevant documents that made available publicly identified:	
<ul style="list-style-type: none"> a) Memo b) Management review meeting minutes c) Complaint investigation report d) Pollution prevention plan e) HCV report f) OHS plan g) Land title h) Human right policy 	
Stake holder meeting held and relevant information communicated observed during stake holder meeting.	
Relevant records observed during the audit:	
<ul style="list-style-type: none"> a) Land title b) Boundary stone monitoring record c) JCC meeting minutes 	
Status:	Comply
4.2.2 Criterion 2: Transparent method of communication and consultation	
4.2.2.1	
Indicator 1: Procedures shall be established for consultation and communication with the relevant stakeholders.	

Communication Procedure, SOP/JPLDG/PK/1 observed and identifies the methodology of communication including internal and external communication. Procedure established including internal and external stakeholders and including FPIC process. Details consultation and communication procedure observed with staff, management, employee representative, HQ, authority, etc.		
	Status:	Comply
4.2.2.2		
Indicator 2: A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.		
<u>Raja Alias 02 Estate</u> Appointment letter for Mr Mohamad Ikmal Hakim Bin Zainal Abidin as communication and consultation official observed dated 1/1/2017.		
<u>Raja Alias 04 Estate</u> Appointment letter for Mr Mohd Faridzul Bin Mohd Ariff as communication and consultation official observed dated 1/11/2017.		
	Status:	Comply
4.2.2.3		
Indicator 3: List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.		
<u>Raja Alias 02 & 04 Estates</u> List of stakeholders observed for internal, external and neighbor to estate dated 6//12/2017. Stakeholder consultation meeting held on 5/10/2017 at Dewan Palong, Stakeholder meeting minutes observed with relevant records available and stakeholder feedback recorded.		
	Status:	Comply
4.2.3 Criterion 3: Traceability		
4.2.3.1		
Indicator 1: The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).		
Sighted procedure "Manual Procedure Kerja dan Fail Meja" which consist of traceability of plantation activities and FFB transportation. This document also able to link with Manual Operasi Ladang Sawit Lestari – Bahagian 3, clause 4.0.		
	Status:	Comply
4.2.3.2		
Indicator 2: The management shall conduct regular inspections on compliance with the established traceability system.		
In procedure "Manual Procedure Kerja dan Fail Meja ", transportation of FFB stated in the SOPs. Daily inspection performed by Mandor before sent to factory.		
	Status:	Comply
4.2.3.3		
Indicator 3: The management should identify and assign suitable employees to implement and maintain the traceability system.		
<u>Raja Alias 02 & 04 Estates</u> Appointment of supervisor observed on the "Manual Procedure Kerja Fail Meja". Responsibility and roles well defined.		
	Status:	Comply
4.2.3.4		
Indicator 4: Records of sales, delivery or transportation of FFB shall be maintained.		
<u>Raja Alias 02 Estate</u> Record of sales and delivery FFB to POM Seriting dated 5/12/2017 observed. Total 2916.99Kg observed. The traceability and identification is according to blok and peringkat.		
<u>Raja Alias 04 Estate</u> Daily transportation of FFB record to Mill dated 16/11/2017 observed for 49.569 tonne. Transportation recorded updated on daily basis.		

	Status:	Comply
4.3 PRINCIPLE 3: COMPLIANCE TO LEGAL REQUIREMENTS		
4.3.1 Criterion 1: Regulatory requirements		
4.3.1.1		
Indicator 1: All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
<u>Raja Alias 02 & 04 Estates</u>		
There is a matrix chart available to track the renewal of permits and licenses. Those involve on social aspect – Felda [MPOB License and payment deduction permit.		
Relevant evidence observed for legal compliance:		
a) MPOB license ref no. 500934302000 for Raja Alias 02 valid until 31/3/18.		
b) MPOB license ref no. 500936002000 for Raja Alias 04 valid until 31/3/18.		
c) Permit for potongan gaji dated 9/10/2015 observed.		
d) CHRA report (Raja Alias 02) dated 18/5/2016 observed.		
e) CHRA report (Raja Alias 04) dated 2/6/2016 observed.		
	Status:	Comply
4.3.1.2		
Indicator 2: The management shall list all laws applicable to their operations in a legal requirements register.		
Legal and other requirement register observed for relevant regulation:		
a) OSH (NADOPOD) Reg 2004		
b) Akti Bekalan Elektrik 1990		
c) FM (Notification, Competence and Inspection) 1970		
d) FM (Fencing and Machinery) 1970		
e) Akta Pengangkutan Jalan Raya 1987		
f) Federal Constitution		
g) Akta Perkhimatan BOMBA 1986		
h) Akta Tanah (Kawasan Penempatan Berkelompok) 1960		
i) Employment Act 1955		
j) Akta Kerja Kanak-kanak and Orang Muda		
k) Akta KWSP 1991		
l) Akta Pampasan Kerja 1952		
m) Akta Pengurusan Sisa Pepejal dan Pembersihan Awam 2007		
n) Akta Standard Minimum Perumahan nad Kemudahan Pekerja		
o) OHS (Safety & Health Committee) 1996		
p) Akta Kerajaan Tempatan 1976		
q) Akta Maklumat Pekerjaan 1953		
r) OSH (CLASS) 2013		
s) OSH (USECH) 2000		
t) EQA 1974		
	Status:	Comply
4.3.1.3		
Indicator 3: The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.		
Sistem semakan undang-undang establish for tracing new and updated regulations. The updating of regulations shall be initiated from HQ. At the moment, the identification of updated legal requirement is updated.		

	Status:	Comply
4.3.1.4		
Indicator 4: The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.		
<u>Raja Alias 02 Estate</u> Letter appointment to Mr Shafiq Sadry Bin Roslan dated 20/9/2017 observed as legal compliance official.		
<u>Raja Alias 04 Estate</u> Letter appointment to Mr Ahmad Faizal Bin Mardini dated 10/10/2017 observed as legal compliance official		
	Status:	Comply
4.3.2 Criterion 2: Land use rights		
4.3.2.1		
Indicator 1: The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.		
<u>Raja Alias 02 Estate</u> Land title ref no 12732 for Hamzah Bin Harun observed for Lot 7934. Individual land title distributed for specific smallholder. The land title stated that use for palm oil industry.		
<u>Raja Alias 04 Estate</u> Land title for Mohammad Rafis Bin Badoor, no. milik 5845, lot no. 9238 observed. Use for agriculture land observed. Land use for palm cultivation.		
	Status:	Comply
4.3.2.2		
Indicator 2: The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.		
<u>Raja Alias 02 Estate</u> The individual land title was in progress of processing. Register of holdings part 1 & 2 observed. Register of holding for Mr Mohd Apandi Bin Salekan observed. The register of holding observed and for palm oil industry.		
<u>Raja Alias 04 Estate</u> Land title for Mohammad Rafis Bin Badoor, no. milik 5845, lot no. 9238 observed. 99 years given for the land title and for agriculture land use observed,		
	Status:	Comply
4.3.2.3		
Indicator 3: Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.		
Raja Alias 03 and 04 Estates have been issued the land titles. That means, there is no legal land disputes and every lot has been surveyed and reinstalled with boundary stones prior to issuance of land title. The other schemes will be awarded the land title before Jan 2018.		
<u>Raja Alias 02 & 04 Estates</u> On site assessment performed for identification of legal boundary markers. Clear boundary maker observed and visibility enhanced by erecting pole nearby the legal boundary.		
Raja Alias 02 > Blok 5 Raja Alias 04 > Blok 1. Clear boundary stone ref no. 261445 observed.		
Monitoring of boundary stone observed on Feb 2017.		
	Status:	Comply
4.3.2.4		
Indicator 4: Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).		

<u>Raja Alias 02 & 04 Estates</u>	
No land dispute reported at the moment.	
Status:	Comply
4.3.3 Criterion 3: Customary rights	
4.3.3.1	
Indicator 1: Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	
<u>Raja Alias 02 & 04 Estates</u>	
No land dispute reported at the moment.	
Status:	Comply
4.3.3.2	
Indicator 2: Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	
<u>Raja Alias 02 & 04 Estates</u>	
No land dispute reported at the moment.	
Status:	Comply
4.3.3.3	
Indicator 3: Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	
<u>Raja Alias 02 & 04 Estates</u>	
No land dispute reported at the moment.	
Status:	Comply
4.4 PRINCIPLE 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY AND EMPLOYMENT CONDITION	
4.4.1 Criterion 1: Social impact assessment (SIA)	
4.4.1.1	
Indicator 1: Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones..	
<p>There is an evidence sighted document of Social Impact Assessment (SIA) report for Raja Alias 02 and 04 Estates. Date of assessment on 6 June 2017 for Raja Alias 01 Estate and 8 June 2017 for Raja Alias 04 Estate assessment done by Certification & Due Diligence, Sustainability & Environment Department. SIA been reviewed in every year. SIA analysis has identified the significant relationship between management and internal / external stakeholders. List of issues raised by the stakeholder in all operating unit :-</p> <ol style="list-style-type: none"> i. Social background of employees ii. Background of Local Community iii. Education iv. Safety and Health v. Living Condition vi. Infrastructure and amenities <p>There is a management plan (Pelan Pengurusan bagi impak sosial di Raja Alias 02 and 04 Estates) and Sighted the management plan for Social Impact Assessment that include :</p> <ul style="list-style-type: none"> • Impact and issues • Action plan • Responsible person • Timetable and timeline <p>Action taken is response from the recommendation of the assessment report & feedback from local community based on the latest stakeholder meeting.</p>	
Status:	Comply
4.4.2 Criterion 2: Complaints and grievances	
4.4.2.1	

Indicator 1: A system for dealing with complaints and grievances shall be established and documented.	
<p>There is a procedure for dealing with complaints and grievances made by the Felda Jabatatan Perladangan – Procedure Komunikasi No Document: SOP /JPLDG/PK/1 - No Pindaan 1, Date of Commenced 1st November 2017. Sighted the objective form the procedure of Felda That include scope of communication regarding complain, (communication). Responsibility of estate manager – response to the external stakeholder regarding aspect impact. Assess the suggestion that being received through the complaint box, suggestion box.</p> <p>There is a specific complaint forms (Borang Aduan Pelanggan BAP), after receive the BAP form Regional General Manager (RGM) will assess the validity of the complaint and will be proceeding to the Complaint Management System (CMS) FELDA 1 Contact Centre (F1CC). Beside that complaint also can be made through webpage, phone call, letter/faxes and email, Electronic Media, 1 Malaysia Call Centre (1MOCC) and Complaint Biro (Biro Pengaduan Awam BPA). Internal and external communication sighted in the estate – Communication management to the staff and workers, contractors, head office, media communication, information to external stakeholders.</p>	
Status:	Comply

4.4.2.2	
Indicator 2: The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	
<p>The matter shall be brought forward to the respective top management, initial negotiation process shall be carried out. After 3 working days management will response to the complaint there is a flow chart (Carta Aliran Prosedur Pengendalian Aduan) to handling all the complaint and grievances.</p>	
4.4.2.3 Indicator 3: A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	
<p>There is an evidence of complaint book for internal stakeholder Raja Alias 02 Estate (Buku Aduan Peneroka FELDA Raja Alias Dua) and for Raja Alias 04 Estate (Rekod Aduan Peneroka) Sighted the complaint book – format complain through book that being compile together. There is a daily visit to the settlers by (Social Development Officer SDA – Nor Azimah). All issues and complaint will be recorded in the form (Lawatan Harian Kawasan Kampung). For Raja Alias 02 Estate, latest complaint on 16 November 2017 and Raja Alias 04 Estate, latest complaint on 12 December 2017.</p> <p>The stakeholders will share their views, complain and grievance through the book and made into form : Borang Aduan Felda : Laporan Aduan diterima oleh Rancangan (peneroka) divided into subsection :</p> <ul style="list-style-type: none"> • Maklumat pengadu • Kategori Aduan • Keterangan Aduan • Wilayah Rancangan • Status Aduan <p>And also there is a stakeholder meeting held in every year to gather an information and complaint from the external stakeholder. An evidence of Stakeholder Meeting for Palong Timur Complex, Moakil Complex, and Raja Alias and Serting Hilir Complex on 5 October 2017 at Felda Palong 01 Community Hall. For Raja Alias 02 Estate, 6 workers were interviewed 3 Local and 3 Indonesian. Raja Alias 04 Estate, 4 workers (Indonesian).</p>	
Status:	Comply
4.4.2.4 Indicator 4: Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.	

The appointed person in charge to handle the social issues is Mr Mohamad Ikmal Hakim bin Zainal Abidin (Raja Alias 02 Estate), appointed date on 1 January 2017. And Mr Mohd Faridzul bin Mohd Ariff (Raja Alias 04 Estate) appointed date on 1 November 2017.

There is a specific complaint forms (Borang Aduan Pelanggan BAP), after receive the BAP form Regional General Manager (RGM) will assess the validity of the complaint and will be proceeding to the Complaint Management System (CMS) FELDA 1 Contact Centre (F1CC). Beside that complaint also can be made through webpage, phone call, letter/faxes and email, Electronic Media, 1 Malaysia Call Centre (1MOCC) and Complaint Biro (Biro Pengaduan Awam BPA).

Sighted the appointment letter to penyelia Raja Alias 2 and 4 Estates that will communicate the external and internal communication to the stakeholders internal and external. During the stakeholders meeting internal and externally had been made available the procedure of communication with the third parties and morning roll call regarding the issues on workers (FTPSB)

	Status:	Comply
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4.4.2.5 Indicator 5: Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.

An evidence of Stakeholder Complaint Book for external and Buku Aduan Kerosakan for internal stakeholder. Latest complaint have been resolved and documented. External complaint arise during the Stakeholder Meeting has been documented and action has been taken by the management. Beside that there is complaint boxes in front of estate main office open to all workers to write a complaint.

There is an evidence of complaint book for internal stakeholder Raja Alias 02 Estate (Buku Aduan Peneroka FELDA Raja Alias Dua) and Raja Alias 04 Estate (Rekod Aduan Peneroka) Sighted the complaint book – format complain through book that being compile together. There is a daily visit to the settlers by (Social Development Officer SDA – Nor Azimah – Raja Alias 02 and Fauziah bt Asrshad ASDO (W) Penolong Pegawai Masyarakat). All issues and complaint will be recorded in the form (Lawatan Harian Kawasan Kampung).

For Raja Alias 02 Estate, latest complaint on 16 November 2017 and Raja Alias 04 Estate, latest complaint on 12 December 2017. Sighted the record regarding issues had been kept by the management since 3rd July 2015 until 2017 for FELDA Raja Alias 04 since 4 November 2014.

	Status:	Comply
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4.4.3 Criterion 3: Commitment to contribute to local sustainable development

4.4.3.1 Indicator 1: Growers should contribute to local development in consultation with the local communities.

For Raja Alias 02 and 04 Estates Sighted the contribution the Settlers (Skim insentif Anak Peneroka SIAP), (Bantuan Pendidikan Tinggi Anak-Anak Peneroka), (Skim Insentif Latihan Kemahiran SILK) for education, for entrepreneur (Skim Insentif Usahawan FELDA SUIF) FELDA Special Incentive RM 5000. Welfare Fund (Tabung Bantuan Kebajikan Peneroka)

	Status:	Comply
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4.4.4 Criterion 4: Employees safety and health		
4.4.4.1 Indicator 1: An occupational safety and health policy and plan shall be documented, effectively communicated, and implemented.		
<p>An occupational safety and health (OSH) policy for Gugusan Raja Alias has issued by "Ketua Pegawai Eksekutif" Felda Technoplant Sdn. Bhd. (FTSB) on January 4th 2016 (Revision 5). The policy declared seven points which mentioned that the Felda has committed to comply with all relevant safety, health and environment laws and regulations (OSHA Act 1994). In order to achieve safe working environment, estate management has providing training and socialization which aims to maintain good competency. This policy is available in Bahasa.</p> <p>OSH management plan is presented in document "Program Kesehatan dan Keselamatan" dan "Program Latihan Felda & FTSB Raja Alias 2 tahun 2017". The program has consist of 8 main program, for example safety policy socialization, safe working practices and uses of personal protective equipment (PPE), RSPO and MSPO awareness, CHRA implementation, first aid and emergency training, technical training, etc. Those program has delivered to smallholders, contractors and workers.</p> <p>To verify OSH implementation on the field, estate management has conducting daily inspection and safety briefing during muster call which conducted by Assistant. Furthermore, monthly inspection has also conducted by Gugusan Raja Alias Region Officer to the field. Report of visit was presented in document "Pemeriksaan Keselamatan dan Kesehatan Pekerjaan", prepared by Pengurus Sustainable OSH.</p> <p>Estate management informed that pesticide application has sub contracted to local contractor until June 2018. Afterwards, Gugusan Raja Alias will conduct that works by its own sources. However, PPE for pesticide was provided by estate management as seen during observation to Peringkat 3 Block 13 Raja Alias 02 Estate. Among PPE provided are boots, safety helmet, google, apron, rubber gloves and respirator. Since pesticide application activities will be carried out by Gugusan Raja Alias after June 2018, estate management has encourages to provide infrastructure related facility for that particular works, such as agrochemical store, PPE store, mixing area, etc. Observation.</p> <p>As informed and planned by estate management, it was known that pesticide application activities will be fully handled by Gugusan Raja Alias management, starting from June 2018. Regarding this matter, estate management has an opportunity to prepare awareness on baseline health surveillance for pesticide mixer and sprayer. Observation.</p>		
	Status:	# OFI 4.4.4.1
4.4.4.2 Indicator 2: The occupational safety and health plan shall cover the following:		
<ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> i) All employees involved shall be adequately trained on safe working practices; and ii) All precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assesment and Risk Control (HIRARC) e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meetings are kept and the concerns of the employees and any remedial actions taken are recorded. h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals 		
<p>OSH policy and implementation were communicated to the employees through socialization which conducted on several events, such as: morning (roll) call to workers (held on June 19th 2017), socialization to staff and workers (held on May 3rd 2017), socialization to smallholders (held on January 16th 2017), socialization to stakeholder and contractors (held on May 4th 2017), socialization of MSPO and RSPO (held on December 8th 2017) and socialization of MSPO form MPOB (held on August 8th 2017). Socialization of OSH was confirmed during observation and interview with Pesticide Applicator in</p>		

Peringkat 3 Block 13 Raja Alias 02, Fertilizer Applicator in Peringkat 1 Block 5 Raja Alias 02 Estate and Harvesters in Peringkat 1 Block 3 Raja Alias 04 Estate.

Estate management has Hazard Identification, Risk Assessment and Risk Control (HIRARC) or "*Pengenalpastian Hazard, Penilaian Risiko dan Penentuan Kawalan*" document which presented in Form No. 4.7.1 Ladang Felda. The document has describes and explains type of activity, step of activity, hazard analysis, risk control, risk assessment (frequency, severity and scoring), risk level. Furthermore, description of PPE types and specs were refers to PPE Matrix 2015 Revision 1. Socialization of HIRARC has given through training. For example, training of PPE for agrochemical applicators in Raja Alias 2 Estate had delivered in April 13th 2017, while in Raja Alias 04 Estate had delivered in June 12th and September 18th 2017. Furthermore, socialization has also delivered to employee's representative during OSH quarter meeting, which in Raja Alias 02 Estate has already conducted on March 15th, may 19th and July 16th 2017, respectively, and in Raja Alias 04 Estate has conducted in May 31st, August 18th and October 20th 2017, respectively. Based on document review, it could be concluded that all estate working activities had covered on the HIRARC.

Estate management informed that pesticide application has sub contract to local contractor, namely Shazrat Enterprise. Thus, pesticide and used pesticide containers has managed by contractor. However estate management has provide PPE for all applicators, in accordance with Chemical Health Risk Assessment (CHRA) and Safety Data Sheet (SDS) of products such as boots, safety helmet, google, apron, rubber gloves and respirator. Used containers were not re-used but directly deliver to the seller. Based on observation and interview with Foreman and pesticide Applicators in Peringkat 3 Block 13 Raja Alias 02 Estate, it could be concluded that all workers were able to explain and demonstrate a safe working practices such as use PPE during application, considering wind direction during spraying, pesticide mixing and storage, emergency situation handling, important contact number, etc. The workers also mentioned that all PPE's given could be replaced by the Estate Management when broken or improperly used. This is also conformed through review on PPE delivery records.

Raja Alias management has appointed OSHA Committee of Raja Alias 02 Estate which consist of Chairman, Secretary, two representatives from Employer, two representatives from contractor, four representative from Employees (two Indonesian, one Indian and one local Malaysian). Meanwhile, there were three employer representative and two employee's representative in Raja Alias 04, i.e. one from Indonesia and one from Local Malaysia. The OSH Secretary was in coordination with "*Bahagian Keselamatan dan Kesihatan Pekerjaan dan Alam Sekitar*" and "*Ketua Pengarah Executive FTSPB*" of FelDA Head Quarter in Kuala Lumpur, for any update national regulations and collective agreements.

Accident of emergency procedure is presented in document of "*Emergency Response Plan (ERP) Jabatan Perladangan FelDA*" dated January 1st 2017. Procedure has covers agrochemical, gasoline and lubricants spills, and fire incident. As mentioned earlier, pesticide application works were delivered to local contractor which had trained by estate management. Based on interview with pesticide applicators and Foreman, it was knows that the workers were able to explain and demonstrate steps of precaution on incidence, such as first aid action to be taken, spills handling and reporting.

Raja Alias 02 Estate has one occupational first aid officer, certified by First Response Services, namely Mohd Zaki Bin Abdul Wahab (valid until February 28th 2020). In order to deliver first aid knowledge to estate worker, training on emergency simulation and first aid has conducted by OSH Committee in June 19th 2017. Furthermore, Raja Alias 04 Estate has one first aid officer namely Mohd Hamdan Bin Omar (Series No. (1) 8603, valid until August 23rd 2020). In order to deliver first aid knowledge to estate worker and contractor, training on emergency simulation and first aid has conducted by OSH Committee in January 16th, May 30th, September 18th and November 2nd 2017.

For field works, all Foreman were equipped with portable first aid kit box which consist of 11 items. Monitoring record of first aid equipment items was available. Based on observation to Pesticide Application activity in Peringkat 3 Block 13 Raja Alias 02 Estate, fertilizer application in Peringkat 1 Block 5 Raja Alias 02 Estate and harvesting activity in Peringkat 1 Block 3 Raja Alias 04 Estate, it was found that the Foreman was equipped with first aid box. All 11 items of first aid equipment and its monitoring record of items used were available.

OSH Committee has records any accident happen and evaluate it on the OSH quarter meeting. During 2017, it was informed that there is no accident (zero accident) in Raja Alias 02 and 04 Estates. Furthermore, JKPP 8 for Raja Alias 02 Estate dated December 30th 2016 and July 15th 2017, as well as JKPP-8 for Raja Alias 04 Estate dated January 3rd 2017, it informed that there was no accident has happen during 2016 and 2017.

Status:

Comply

4.4.5 Criterion 5: Employment conditions	
4.4.5.1 Indicator 1: The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.	
A Human Right Policy (Polisi Hak Asasi Manusia) established and displayed at the estate office and workers quarters. Signed by Dato' Ab Ghani Mohd Ali, Director General 01 November 2017. There is an evidence of gender committee Meeting (Gerakan Persatuan Wanita GPW FELDA Raja Alias 02) latest on 19 October 2017 and Raja Alias 04 Estate latest on 12 Disember 2017 discussing on the social and gender policy.	
The "Human Right Policy" has incorporated the company's standing on policy to support the human right and FELDA will take into the consideration on human right in the preparation of manual, procedure and other policy. The policy is displayed at the workers quarters and estate office.	
Status:	Comply
4.4.5.2 Indicator 2: The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin, or any other distinguishing characteristics.	
There is an Equal Opportunities (Polisi Kesetaraan Peluang) Policies signed by Dato' Ab Ghani Mohd Ali 1 November 2017, all employees should be treated fairly in terms of recruitment, progression, terms and conditions of works and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. All foreign workers get the benefits of The terms of conditions of Service is comply accordance the Minimum Wages Order 2016 P.U. (A) 116 29 April 2016. There is gender committee meeting, OSH meeting as a mechanism to implement the policies and procedures. Based on the interview with the foreign and local workers, there are no issues regarding to the discriminatory and social issues at the estate operation. They are happy with the way the management treat them.	
Status:	Comply
4.4.5.3 Indicator 3: Management shall ensure that employees' pay, and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.	
There is a clear statement on the contract (Perjanjian kontrak pekerjaan di antara Lembaga Kemajuan Tanah Persekutuan FELDA) dan FELDA Technoplant Sdn Bhd FTPSB dengan Tenaga Kerja Asing) that been signed by the workers according to hours of works, overtime, public holiday, work on a paid holiday, annual leave, maternity leave, compassionate leave, sick leave, hospitalization, occupational safety and health, accommodation, absenteeism and dismissal. The contract is made in Malaysian, Indonesian, Indian, Bangladesh version and based on the interview workers are understand the contract and aware about the contract conditions.	
Raja Alias 02 Estate, evidence of contract document of Mohd Zaidi bin Mohd Jamal (Local) latest wages RM 1,519.31, Sunardi (Indonesia) RM 1,103.86, Ahyar Rosidi (Indonesia) RM 1,103.86, and Zainul Padli (Indonesia) RM 1,153.86. Raja Alias 04 Estate, evidence of contract document of Mamun (Bangladesh) latest wages RM 1,600, Mozam (Bangladesh) 1,600 and Jamaludin (Indonesia) RM 1,600. Sighted the Perintah Gaji Minimum 2016 from Felda Techno plant Sdn Bhd dated 12 th July 2016 Bil number – (79880101030 / JOP/ 3- 4. Merujuk kepada Warta kerjaan Persekutuan Bertarikh 29 April 2016, P.U (A) 2016 berkenaan perintah Gaji Minimum 2016. "Selaras dengan objektif pelaksanaan akta gaji minimum 2016, pekerja sepenuh masa hendaklah memperolehi jumlah gaji secara purata tidak kurang daripada RM1000.00 sebulan".	
Status:	Comply
4.4.5.4 Indicator 4: Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	
Sighted the employee's contractor payslip and agreement:	
Agreement : sighted contract agreement between FELDA and Koperasi Serbaguna (F) Seriting 2 Sdn (2000148564) for FELDA Raja Alias 02 and contract agreement between FELDA and Afzanizam bin Mohamad Ajamin (3100148539 / 100085358) for Raja Alias 04 Estate. For Raja Alias 02 Estate, Sighted the payslip to Mr. Mohammad Suhaimi bin Ujang (Jimey Bersatu Enterprise) – dated 08 November 2017 amount RM 1,083.60. Mr Muhammad Fadian bin Hasnim (Shazrat Enterprise) RM 1,973.92 latest on 8 November 2017 and Mr Muhammad Hafizan bin Hashim RM 2,013.26 latest on 8 November 2017. For Raja Alias 04 Estate, sighted the payslip to Mr Mudhar Amin (Afzanizam NS0006646-U) – dated 01 December 2017 amount RM 1,800, Mr Sudirman (Afzanizam NS0006646-U) RM 1,800 latest on 1 December 2017.	

	Status:	Comply
<p>4.4.4.5 Indicator 5: The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p>		
<p>There is a list of employees for Raja Alias 02 Estate (Senarai Nama Staff FTPSB Raja Alias 2 Estate and Senarai Nama Pekerja Tempatan & Asing)</p> <ul style="list-style-type: none"> • 11 Malaysian workers • 13 foreign workers <p>For Raja Alias 04 Estate (Database Pekerja : FTP Raja Alias 4) latest on 30 November 2017</p> <ul style="list-style-type: none"> • 15 Indonesian workers • 11 India workers <p>Include the bil, Name, Passport Number, and Date of Birth. Based on the interview and ground verification, there is no underage workers and the workers are aware about the company policies regarding the social policies, no forced labour, no issues regarding the equality and non-discrimination</p>		
	Status:	Comply
<p>4.4.5.6 Indicator 6: All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p>		
<p>An evidence of employment contracts :</p> <ul style="list-style-type: none"> • Perjanjian Kontrak pekerjaan antara Lembaga Kemajuan Tanah Persekutuan (FELDA) dan Felda Techno plant Sdn Bhd dengan tenaga kerja asing (Languages – in Indian language and Malaysian language) • Perlantikan Sebagai Petugas FTPSB (Sektor Ladang) <p>Contracts workers had been sighted. Sample 3 workers Raja Alias 02 Estate available in the estate include the contracts and agreement. (123) 880101010/1 – Pekerja Tempatan, Sunardi AT 452413 (Indonesia), Ram Sunil L9014411 (India). Contracts workers for FELDA Raja Alias 04 Estate Jumadil Akhir AT 451557 (Indonesia), Alamin Sekh P 8477401 (India), and Mohd Norhassim bin Khalil RA 24516383. All workers are provided with the copy of the agreement and the original is kept in the personal file by Admin Clerk in the Estate Office. Contract document for local has been verified and foreign workers at estate operation</p>		
	Status:	Comply
<p>4.4.5.7 Indicator 7: The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p>		
<p>All workers are been paid based on piece rated rate based on Kadar Upah Kerja Pekerja Ladang and no overtime are paid for the employees. All data of date of working, type of work, amount of works are documented in the Felda Technoplant Sdn Bhd Checrol Pocket. There is an evidence of working hours is displayed at the front door at the management office. For Raja Alias 02 Estate, An evidence of overtime recorded for local workers (Iskandar bin Md Lazim TK 21914120) position as Mandore stated that 63 hours of overtime latest on 14 November 2017. For Raja Alias 04 Estate, (Mohd Norsham bin Khalil RA 24516383) position as mandore latest overtime 16 hours recorded.</p>		
	Status:	Comply
<p>4.4.5.8 Indicator 8: The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p>		
<p>There is an evidence of pay slip of workers (samples pay slip workers – June 2017). That include –</p> <ul style="list-style-type: none"> • Workers number , • Workers name • Group • Identification number • Date of pay slip • Total pays lip • Activities – merumput, membaja, menuai BTB, menorah getah, lain-lain kerja, insentif, kerja lebih masa, cuti berbayar, cuti tahunan, • Jumlah pendapatan 		

- Gaji bersih,
- Potongan – KWSP, Socso, Potongan Bekalan Electric, Potongan gaji, KWSP, Potongan Bekalan Air. (total deduction sighted)

The company also record on the payslip ;

- Bilangan hari hadir
- Bilangan hari tidak hadir
- Kerja lebih masa
- Bilangan cuti tahunan
- Bilangan cuti am
- Bilangan cuti sakit

Status:

Comply

4.4.5.9 Indicator 9: Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.

Raja Alias 02 Estate, evidence of contract document of Mohd Zaidi bin Mohd Jamal (Local) latest wages RM 1,519.31, Sunardi (Indonesia) RM 1,103.86, Ahyar Rosidi (Indonesia) RM 1,103.86, and Zainul Padli (Indonesia) RM 1,153.86. Raja Alias 04 Estate, evidence of contract document of Mamun (Bangladesh) latest wages RM 1,600, Mozam (Bangladesh) 1,600 and Jamaludin (Indonesia) RM 1,600.

Pay slip of sampled workers have been verified and there is an evidence of normal days overtime and holiday pay. All workers are been paid based on piece rated rate based on Kadar Upah Kerja Pekerja Ladang and no overtime are paid for the employees

Status:

Comply

4.4.5.10 Indicator 10: Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.

Foreign workers status for social benefit :

- Kemudahan perumahan tempat tinggal – Akta standard minimum perumahan dan Kemudahan Pekerja 1990.
- Menyediakan Bekalan electric dan Bekalan air utilities – subsidi utilities (RM 6.00 for electricity and water subsidy RM4.00
- Pengangkutan percuma untuk hantar pekerja pergi dan balik lokasi Kerja. Pemeriksaan Kesihatan dan Perubatan – kos Rawatan pesakit luar RM 200.00 - Rawatan Perubatan Kemalangan di tempat kerja
- Peralatan pekerjaan percuma
- Pemberian peralatan peribadi – bantal, tilam dan katil, dapur, tong gas , peralatan memasak untuk 4 orang
- Insuran pekerja – menginsurankan pekerja asing skim SPPA (Skim Pampasan pekerja Asing) – Insuran Indonesia will be tanggung by workers
- Pekerja meninggal dunia – dihantar percuma, tanggung majikan – RM 1000.00 for wang khairat kematian RM 1000.00
- Cuti pekerja seminggu sehari
- FOMEMA inspection yearly – by majikan
- PPE provided by the employer

Status:

Comply

4.4.5.11 Indicator 11: In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.

Based on field visit and interview with workers known that the adequate housing, clean water supplies, medical, mosque, temple, electricity and access to adequate, sufficient and affordable food has been provided. There is no complain and grievance related to housing standard.

The company provides adequate housing, water and electricity (from Tenaga Nasional Berhad, TNB) for its workers, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). Foreign workers are housed according to their ethnicity and religious beliefs and have adequate beds, clean running water from taps, kitchen and toilet facility. Workers are also provided with basic facilities such as bedsheets, pillows, pillowcases etc. for their living convenience.

<p>Site visit by the audit team to the workers housing (Asrama Pekerja Serting Raja Alias) for confirmed that the housing is generally well-maintained. Interviews with workers at the linesite also reveal that the housing facility is adequate and that communal clean-ups are conducted periodically. There is regular solid waste disposal system and routine maintenance for the upkeep of the linesite/housing.</p> <p>There is a workers housing checklist book (Buku Lawatan Asrama Raja Alias) to record the inspection from the management. Latest on 8 December 2017 by Mr Shafiq Sadry bin Roslan Penyelia FTPSB Raja Alias 02 Estate. For Raja Alias 04 Estate (Rekod Pemantauan Asrama-Asrama Pekerja Kompleks Raja Alias)</p>		Comply
<p>4.4.5.12 Indicator 12: The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>There is a policy to prevent the sexual harassment and violence stated in the (Polisi Gangguan Seksual, Keganasan serta hak Kebebasan Reproduksi) stated that FELDA committed to give an attention to sexual harassment occur at the workplace. A procedure is established (Prosedur Menangani Aduan Melalui Aduan Melalui Jawatankuasa Wanita SOP/JPLDG/PMAMJW/1 pindaan 1, 1 November 2017). There is a flow chart to resolve the complaint and grievance regarding the sexual harassment.</p> <p>A gender committee (Gerakan Persatuan Wanita GPW) has been established for the FELDA Raja Alias 02 and 04 There is an evidence latest of gender committee meeting for all estate. The company has a manual on implementation of the gender policy that provides guidelines to the specific components which includes understanding and recognition of rights and background of an issue, details and specific complaints and grievance procedure to address issues within gender and guidelines on the roles and responsibilities of management in supporting the initiatives and activities of the gender committee.</p>		Comply
<p>4.4.5.13 Indicator 13: The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>There is a policy to give a freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining (Polisi Hak Kebebasan Bersuara & Menganggotai Kesatuan 01 November 2017).</p> <p>An evidence of Workers Welfare Committee for 2017 for Foreign workers represented by Local Workers, and Foreign Workers. Latest meeting on 8 August 2017 (FELDA Raja Alias 02) and FELDA Raja Alias 04 latest meeting on 31 May 2017 discussing on social and OSH. For FELDA workers, there is workers union (Kesatuan Pekerja-Pekerja FELDA Cawangan Negeri Sembilan Timur KPPF) latest on 13 July 2017.</p>		Comply
<p>4.4.5.14 Indicator 14: Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.</p> <p>There is a child labour policy (Polisi Larangan Buruh Kanak-Kanak) to prevent individual under 18 years old working at the premise based on the Malaysian Law. However children are allowed to helping their parent at the estate as long not affected their education.</p> <p>Raja Alias 02 Estate (Senarai Nama Staff FTPSB Raja Alias 02 and Senarai Nama Pekerja Tempatan & Asing) 24 workers. Raja Alias 04 Estate (Database Pekerja: FTB Raja Alias 04) There is documented evidence that minimum age requirement is met. Random checks of staff, local and foreign workers' employment contracts and personal details as well as passports of foreign workers at the estate demonstrate compliance to the minimum age requirement of Malaysia, i.e. 18 years.</p>		Comply

4.4.6 Criterion 6: Training and competency	
4.4.6.1 Indicator 1: All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.	
<p>Gugusan Raja Alias has annual training program which presented in document "<i>Program Latihan Felda and PTPSB Raja Alias</i>" for period 2017. Several training budgeted in 2017 are MSPO and RSPO awareness, safe working practices, technical operation (pesticide , manuring, harvesting, integrated pest management), agrochemicals handling, policy socialization, CHRA, first aid, fire fighter, medical surveillance, etc. Evidence of training is presented as follows:</p> <ul style="list-style-type: none"> • Training of first aid for Raja Alias 02 Estate had delivered by licensed first aider Officer on June 19th 2017 in <i>Dewan Serbaguna</i>. • Technical training for harvester, pesticide applicators and fertilizer applicators in Raja Alias 02 Estate had conducted by OSH Committee on August 30th, April 13th and May 18th 2017, respectively. • Training on environment impact for Raja Alias 4 Estate, had delivered by OSH Committee to Workers and Staff on May 4th 2017, to migrant worker on November 19th 2017 and to Contractor and Smallholder on October 5th 2017. • Training on agrochemicals handling to worker and contractor had conducted by OSH Committee in June 12th 2017 and September 18th 2017. <p>For training examples mentioned above, evidence such as invitation letter, attendance list, picture documentation, training presentation slide were available. Based on field observation and interview with Pesticide Applicators in Peringkat 3 Block 13 Raja Alias 02 Estate, Fertilizer Applicators in Peringkat 1 Block 5 Raja Alias 02 Estate and Harvesters in Peringkat 1 Block 3 Raja Alias 04 Estate, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as standard of ripeness, PPE to be used, considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed or manured (for example conservation area and riparian zone which marked by signboard).</p>	
Status:	Comply
4.4.6.2 Indicator 2: Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description	
<p>Identification needs analysis of specific skills and competency for individual employees was prepared by Assistant and Project manager, which presented in document "<i>Penilaian Keperluan Latihan Rancangan Felda Raja Alias</i>" for period 2017. For example, training required by Manager, Foreman and Contractor are MSPO/RSPO awareness, safe working practices, technical operation (pesticide , manuring, harvesting, integrated pest management), agrochemicals handling, policy socialization, CHRA, first aid, fire fighter, medical surveillance, environment impact, etc. Realization of trainings had all completed in October 2017.</p>	
Status:	Comply
4.4.6.3 Indicator 3: A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. Licensed to RSPO.	
<p>The company has a training program which updated annually. For example, Raja Alias 02 training programme for financial Year 2017 were consist of five main program and three operational program, while in Raja Alias 04 it were consist of 13 main program and three operational program. Training was conducted by OSH Committee, Felda and FTSB. For example, training on chemical safety management were consist of CHRA assessment, chemical register review, chemical management and medical surveillance for Raja Alias 2 had conducted in August 30th 2017, attended by 6 agrochemical applicators from local contractor.</p>	
Status:	Comply

4.5 PRINCIPLE 5: ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY AND ECOSYSTEM SERVICES

4.5.1 Criterion 1: Environmental management plan

4.5.1.1 Indicator 1: An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.

Gugusan Raja Alias has established policy Environment management and environment protection on November 1 2017 approved by Pengarah besar FELDA, this procedure explain some aspect for examples :

- Comply with all relevant legal aspect
- best management practices implementation based on FELDA procedure
- Design, assess, and execute appropriate action to reduce environment impact
- Avoid contamination/pollution and enhance environment management quality
- Expressed this policy to all related stakeholder

Management unit established "policy riparian and steep slope area management" on November 1 2017, this policy stated that company are not conduct any plantings on areas with >40% slope, and companies will provides buffer zone for riparian, and this buffer zone will not be contaminated with any agrochemicals input. Zero burning policy on november 2017 stated that FELDA have commitment not to conduct any burning activities for new planting, replanting, and domestic waste management activities.

Recycle policy on november 2017, explained that FELDA has implemented recycle program for waste reduction (plastics, paper, and etc) and reducing environmental impact.

- Raja alias 02 & 04 Estates has the environmental impact identification (EIA) no document 1/2017 dated 01 october 2017, prepared according to estate activities. Action plan 2017/2018 was prepared to mitigate negative impact.

Based on EIA identification concluded that from estate activities, chemist activity give the largest impact for environment quality, for examples :

- Soil and water contamination from chemicals containers washing and pesticides application,
- Soil and water contamination from chemical when conduct wood upkeep.
- Soil and water contamination from chemical usages when conduct palm circle spraying,
- Soil and water contamination from chemical when conducts chemical mixing activities.

Company also shown environmental management plan to reduce impact listed on EIA document i.e

Impact	Source	Mitigation plan
Soil contamination	Ex agrochemicals containers	<ul style="list-style-type: none"> • Collect all ex agrochemical containers, tripple rinse method, and monitored regularly • Reused agrochemical containers • All ex agrochemicals containers will be used to the same purpose • Training for workers / peneroka related to agrochemicals containers handling
Water contamination	Pesticides application / ex agrochemicals usage	

Status:

Comply

4.5.1.2 Indicator 2: The environmental management plan shall cover the following:

- An environmental policy and objectives
- The aspects and impacts analysis of all operations.

Raja Alias 02 and Raja alias 04 estates has an Environment Management Plan and Impact/aspect Identification of its activities covered on EIA 2017. The output of environmental management plan is to reduce the negative impact of operation and Aspect and Impacts evaluation plan are reviewed on yearly basis. These monitoring is aiming to mitigate negative impacts. This plan and the implementation were referring to related regulation requirements, for example: Regulation 11, Environment Quality Act 1974.

Status:

Comply

4.5.1.3 Indicator 3: An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.

Raja Alias 02 and 04 estates has the document of Environment Management Plan, available on year of 2017. The impact registered was evaluated, suitable mitigation measures implemented with time frame included. Based on

interview with personnel in charge related to implementation this plan was showed that the plan has been implemented and evaluated for examples :

Source	Action	PIC	Monitoring
Empty agrochemicals containers	containers Reused	Assitant manager	Regular monitoring for chemical acitivities
Chemicals applicaiton on estate	Buffer zone socialization Reguler training to related workers	Supervisor	
Premix tank leakage	Change to other containers	Store Keeper	
Agrochemical usage	Procedures pesticides handling and application	Assitant manager	
Chemicals spill	Procedures pesticides handling and application	Assitant manager	

Status:

Comply

4.5.1.4 Indicator 4: A programme to promote the positive impacts should be included in the continual improvement plan.

The Environment Impact Assessment action plan is prepared to monitor and evaluate effectiveness. Management unit has been implemented several continual improvements as a part to promote the positive impacts for environment. For examples as a part of reused acitivities, company have planned and implemented tripple rinse for agrochemicals container and then reused it for the same purposes, company also have planned monitoring for domestic waste management regularly, riparian buffer areas monitoring, and monitoring for wildlife / species on estates for next follwing years.

Status:

Comply

4.5.1.5 Indicator 5: An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.

Company have established and conducted some awarenees and training programme to ensure all employess understand the company policy. Based on interview with related workers, contractors, and other stakeholders shown that all of them have understand the policy and objectives.

Training programme listed on Raja Alias 02 Estate traning 2017, for examples :

- Socialization for environmental impact and waste management plan (on october 3 2017 for workers, and to smallholders / peneroka conducted on october 26 2017)
- Socialization for sustainability policy (realization for workers on october 3 2017, realization for smallholders on october 26 2017, and realization for contractors on august 24 2017 by stakeholder consultation)
- Safe work practices on 19 june 2017, (attended by 14 workers)

Training programme listed on Raja Alias 04 estate training 2017, for examples :

- Socialization for environmental impact and waste management plan (on october 3 2017 for workers, and to smallholders / peneroka conducted on october 26 2017)
- Socialization for sustainability policy (realization for workers on october 3 2017, realization for smallholders on october 26 2017, and realization for contractors on august 24 2017 by stakeholder consultation)

4.5.1.6 Indicator 6: Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.

Raja Alias 02 Estate

Evidence for regular meetings with employees discussing environmental quality are listed on buku taklimat cek roll pekerja raja alias 2. For examples meeting held on 26 november 2017 discussing about PPE, waste management, and

environment management (riparian management), and domestic waste management.

Raja alias 04 Estate

Evidence for regular meetings with employees discussing environmental quality are listed on buku taklimat cek roll pekerja Raja Alias 02. For examples meeting held on 11 november 2017 discussing about PPE, waste management, and environment management (riparian management), and domestic waste management.

Status:

Comply

4.5.2 Criterion 2: Efficiency of energy use and use of renewable energy

4.5.2.1 Indicator 1: Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.

Raja alias 02 Estate has management program for efficiency use of diesel observed for year 2017. The management plan implemented and monitored. Monitoring of diesel usage per ton FFB performed in estate. On-going analysis performed, and monitoring result observed. The latest diesel usage on November 2017 is 2805 litre and FFB process 555.15 tonne and efficiency are is 5.05 liter/MT FFB.

Status:

Comply

4.5.2.2 Indicator 2: The oil palm premises shall estimate the direct usage of nonrenewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.

Raja Alias 02 Estate shown the monitoring for of non-renewable energy used per ton FFB for their operations. The data is describing in table below:

Month	Diesel used by contractor (l)
January	970
Feb	745
March	1254
Apr	1422
May	1487
June	1273
July	2128
August	2516
Sept	2710
October	2780
November	2805

Record for electricity and water usage are listed on Rekod penggunaan air dan elektrik documents, for examples on november 2017 total electricity usages are 2102 kWh and total water usage on october 2017 are 8214 m3.

Raja Alias 04 Estate shown the monitoring for of non-renewable energy used per ton FFB for their operations. The data is describing in table below:

Month	Electricity used by office (l)	Diesel used by contractor (l)
January	1683	441.03
Feb	1486	411.61
March	1508	503.87
Apr	2820	562.08
May	1388	423.55
June	1598	405.91
July	1487	371.78
August	1622	607.81
Sept	1486	725.55
October	1730	878.98
November	956	1177.86

Record for electricity and water usage are listed on Rekod penggunaan air dan elektrik documents, for examples on November 2017 total electricity usages are 956 kWh and total water usage on November 2017 are 765 m3.		
	Status:	Comply
4.5.2.3 Indicator 3: The use of renewable energy should be applied where possible.		
Not applicable. Raja Alias 02,04 Estate not utilized any renewable energy		
	Status:	Comply
4.5.3 Criterion 3: Waste management and disposal		
4.5.3.1 Indicator 1: All waste products and sources of pollution shall be identified and documented.		
<p>The entire products of waste and its sources have been identified and documented in the document of "Pengenalan sumber dan jenis bahan buangan 2017" with pollution source coming from estates operation, housing, chemical application and etc.</p> <p>Mitigation measures been taken such as appropriate waste management system, awareness, daily monitoring, containment via bunds and spillage kits as well. The action plan also describes about responsible person, management and disposal plan to reduce pollution, such as :</p> <ul style="list-style-type: none"> • Chemical container by cleanly washed for 3 times, and then re used again with the same purposes. • Diesel fuel usage by monitored every month • Fertilizer application by reduce the usage of chemical fertilizer and EFB application <p>Domestic waste by landfill and implement zero burn activities</p>		
	Status:	Comply
4.5.3.2 Indicator 2: A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:		
<p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.</p>		
<p>Company established procedure SOP/JPLDG/PPKS/1 on November 1 2017 related to recycle/reused implementation. This procedure explained that company will conduct waste recycle/reused as a part of waste management plan, and this procedure also stated all of chemical containers (which has triple rinse) are not allowed to use for other purposes except for chemical activities. Company established procedure ML-1A/L2-PR12(0) on 2012 related to domestic waste management. This procedure explained the waste source identification, and waste management for examples domestic waste are managed by provides landfill.</p> <p>Company shown waste management plan for 2017/2018, this waste management plan have explain a plan to reduce pollution, pollution source, and improving for resource utilization for examples : Waste source / pollution source : fertilizer application (water and soil contamination), and plan to reduce it are fertilizer application based on recommendation and EFB application to reduce fertilizer usage. Palm frond (managed by frond stacking), empty fruit bunch (managed by EFB application),</p> <p>As a part of waste reduction plan, company has conducted EFB application as a plan to reduce chemical fertilizer usages. EFB application on May 2017 for examples 288 tonne for Raja Alias 02 Estate (standard EFB application 40 tonne/ha). Meanwhile EFB application on November 2017 for examples 81.05 tonne for Raja Alias 04 Estate (standard EFB application 40 tonne/ha).</p>		
	Status:	Minor
4.5.3.3 Indicator 3: The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.		
<p>All empty chemical containers waste on Raja Alias 02 and 04 Estates are not categorized as scheduled waste because company has reused the ex chemical containers (after 3x rinse) for mixing purposes. Standard operational procedure for handling of used chemical are listed on manual keselamatan, kesihatan, dan alam sekitar tanggal 1 juli 2009 section 15. These procedures are guidelines for company operation activities related to pesticides start from pesticides receiving, transport, storage, removal, transport to estates, technical spraying steps, emergency measures, agrochemical waste disposal (triple rinse method), hazardous material classification, and etc.</p>		
	Status:	Comply

4.5.3.4 Indicator 4: Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.	
Standard operation procedure for handling of used chemical are listed on manual keselamatan, kesehatan, dan alam sekitar tanggal 1 July 2009 section 15 stated that pesticides containers are rinse used triple rinse method and then reused again with the same purposes. Contaminated containers were triple rinse and reused for chemical premix. Management of used pesticides for Raja Alias 02 and Raja Alias 04 Estate containers handled by contractor through sell it to seller.	
Status:	Comply
4.5.3.5 Indicator 5: Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	
Field observation shown that all of domestic waste are managed on raja alias complex areas landfill, domestic waste collection has carried out 4 times a month by related contractors (koperasi serbaguna FELDA Serting 02 BHD) , and during field visit found there is no indications that waste are dispose using open fire. Unit management has established procedures SOP/JPLDG/PPSD/1 on November 1 2017. This procedures explained that all of domestic waste are collected and filled up on central complex landfill areas.	
Waste including domestic waste management plan are provided and listed on "dokumen plan pengurusan sisa domestik dan bahan buangan 2017" . This document describes domestic waste source such as food waste, paper waste, and etc and waste management plan are also incorporated in this document, i.e chemical container were kept in storehouse s and domestic waste is disposing to landfill.	
Status:	Comply

4.5.4 Criterion 4: Reduction of pollution and emission			
4.5.4.1 Indicator 1: An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.			
Raja alias 02 and 04 Estates not produced any scheduled waste. Empty agrochemical container are reused after triple rinse. Identification for polluting activities/ GHG emission for Raja alias 2 and raja alias 4 estate for examples are listed on table below :			
Sources	Pollutin/emission	Implementation	PIC
Diesel fuel usage	Air emission	Diesel fuel by regular monitoring	Estate manager and estate supervisor
Chemical usage	Soil and water contamination	Chemical usage monitoring	
Fertilizer usage	Soil and water contamination	Fertilizer usage monitoring Substitution with EFB application as organic fertilizer	
Domestic waste	Water contamination	Monitoring for domestic waste collecting Landfill areas monitoring	
Status:			Comply
4.5.4.2 Indicator 2: An action plan to reduce identified significant pollutants and emissions shall be established and implemented.			
Company shown document plan for reducing and monitoring pollutants / emissions (GHG) 2017.			
Emission / pollution sources	Mitigation implementation / realization	PIC	
Diesel fuel usage	Diesel fuel by regular monitoring (see 4.5.2.2)	Estate supervisor and estate manager	
Chemical usage	Chemical usage monitoring (for Raja Alias 04 total chemical usage for 2017 are 1674 litre)		
Fertilizer usage	Fertilizer usage monitoring		

		Susbsitution with EFB application as organic fertilizer (total EFB applicatio on 2017 for Raja Alias 02 are 299 tonne)														
	Domestic waste	Monitoring for domestic waste collecting Landfill areas monitoring														
Status:			Comply													
4.5.5 Criterion 5: Natural water resources																
4.5.5.1 Indicator 1: The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:																
<p>a) Assessment of water usage and sources of supply.</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate</p> <p>e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p>																
<p>Based on water source identification shown that there is some river flow for examples mertiman river on Raja Alias 02 Estate, and merlimau river Management unit shown water management Raja Alias 02 Estate, this document discribes water surce idnetfication, water usage efficiency, impact to water course and stakeholders, and mitigation plan, PIC, and etc. For examples : on mentiman river by drainage desilting (raja alias 2), merlimau river desilting (Raja Alias 04). Management unit established "policy riparian and steep slope area management" on November 1 2017, this policy stated that company are not conduct any plantings on areas with >40% slope, and companies will provides buffer zone for riparian, and this buffer zone will not be contanaminated with any agrochemicals input.</p> <p>Company also have steep slope and riparian identification procdures no document SOP/JPLDG/PPKCDRS/1 on november 1 2017, this procedures discribes riparian determination i.e :</p>																
<table border="1"> <thead> <tr> <th>River width (m)</th> <th>Riparian width (m)</th> </tr> </thead> <tbody> <tr> <td>>40</td> <td>50</td> </tr> <tr> <td>>20-40</td> <td>40</td> </tr> <tr> <td>>10-20</td> <td>20</td> </tr> <tr> <td>>5-10</td> <td>10</td> </tr> <tr> <td>1-5</td> <td>5</td> </tr> </tbody> </table>					River width (m)	Riparian width (m)	>40	50	>20-40	40	>10-20	20	>5-10	10	1-5	5
River width (m)	Riparian width (m)															
>40	50															
>20-40	40															
>10-20	20															
>5-10	10															
1-5	5															
<p>Raja alias estate shown "surat lawatan untuk persampelan kualiti air sungai bagi Raja Alias 01,02,03,04 on December 6th 2017 from FGVHB to pengurus Raja Alias". Water quality testing for river in Raja Alias 1,2,3,4 complex are conducted on December 7 2017.</p> <p>Based on observation and interview with fertilizer applicators and estate representative in Raja Alias 02 Estates, it was noted that :</p> <ul style="list-style-type: none"> There is no riparian marking boundary in Mertiman River as seen in peringkat 6 block 1 and also based on field observation found there is no riparian boundary at Serting River as seen in peringkat 1 block 15 that is not comply with manual pengurusan rancangan FELDA 2010 (Minor NCR) 																
Status:			NCR MINOR 2017.01													
4.5.5.2 Indicator 2: No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.																

<u>Raja Alias 02 Estate</u> Based on field visit to several of plantation area, for example at Mertiman river block 6 peringkat 1 found there is not bunds and dams across main rivers or waterways passing through an estate.	
<u>Raja Alias 04 Estate</u> Based on field visit to several of plantation area, for example at Serting river block 15 peringkat 1 found there is not bunds and dams across main rivers or waterways passing through an estate	
Status: Comply	
4.5.5.3 Indicator 3: Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).	
Based on field observation and biodiversity document review shown that Raja Alias (02, & 04) are passed by some river such as Mertiman River, Merlimau River, Botul River, and Serting River. Company have programmed water harvesting realization an listed on budget document 2018 for examples by silt pilt, and planned to be realized on 2018 for examples :	
<ul style="list-style-type: none"> • Raja Alias 02 Estate : staggered pit (tempat takungan air) 165 unit (size 6x2x2) 	
Based on field visit on Raja Alias 04 Estate for examples on block 14 peringkat 2, sight that company has provides side drain (Side Drain) as a part of water conservation and harvesting plan	
Status:	Comply

4.5.6 Criterion 6: Status of rare, threatened, or endangered species and high biodiversity value area	
4.5.6.1 Indicator 1: Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:	
<ol style="list-style-type: none"> Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. 	
Based on interview with workers during audit indicates there is no human-wildlife conflicts are present on estates area	
<u>Raja alias 02 Estate</u> Company have biodiversity identification prepared by FGV certification & due diligence unit, listed on biodiversity assessment on July 25 2017. Based on this identification acquired information that there are mertiman (declared by government) and merlimau river stream on estates and there is no RTE species presence.	
<u>Raja alias 04 Estate</u> Company have biodiversity identification prepared by FGV certification & due diligence unit, listed on biodiversity assessment on July 27 2017. Based on this identification acquired information that there are mertiman (declared by government) and merlimau river stream on estates and there is no RTE species presence.	
Status: Comply	
4.5.6.2 Indicator 2: If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:	
<ol style="list-style-type: none"> Ensuring that any legal requirements relating to the protection of the species are met. Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts. 	
Based on interview with workers during audit indicates there is no human-wildlife conflicts are present on estates area. Field observation during audit for examples on Raja Alias 02 Estate shown company has provides signboard related to hunting ban (for examples on block 6 peringkat 1) and based on interview with worker for examples on Raja alias 02 and 04 estates indicates there is no RTE species presence in all Raja Alias (02/04 estates) complex areas.	
<u>Raja alias 02 Estate</u> Identification shown there are 6 mamalia species, 11 aves species, and 3 reptil species presence. (No threatened or endangered animal species were identified)	

Scientific name	Status IUCN
<i>Sus scrofa</i>	LC
<i>Macaca fascicularis</i>	LC
<i>Macaca nemestrina</i>	VU
<i>Hystrix brachyura</i>	LC
<i>Varanus salvator</i>	LC
<i>Tyto alba</i>	LC
<i>Gracula religiosa</i>	LC
<i>Copsychus malabaricus</i>	LC
<i>Gallus gallus</i>	LC
<i>Elanus caeruleus</i>	LC

Raja Alias 04 Estate

Identification shown there are 12 mamalia species, 13 aves species, and 5 reptil species presence. (No threatened or endangered animal species were identified)

Scientific name	Status IUCN
<i>Aonyx cinerea</i>	VU
<i>Macaca nemestrina</i>	VU
<i>Macaca fascicularis</i>	LC
<i>Sus scrofa</i>	LC
<i>Tupaia glis</i>	LC
<i>Rattus tiomanicus</i>	LC
<i>Varanus salvator</i>	LC
<i>Naja naja</i>	LC
<i>Columba domestica</i>	LC
<i>Halcyon smyrnensis</i>	LC
<i>Collocalia asculenta</i>	LC
<i>Corvus splendens</i>	LC

Status: Comply

4.5.6.3 Indicator 3: A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.

Management unit has established 2017/18 management plan related to RTE species protection and environment protection, listed on biodiversity management plan for Raja Alias 02 and 04 Estates for examples :

Aspect	Ancaman	Management	Action
Riparian buffer zone	Buffer zone destruction Buffer zone contamination from estate activities	Prohibition for chemical application (pesticides and fertilizer) on buffer zone	Buffer zone marking on riparian Training/socialization related buffer zone management
Natural ecosystem (if any)	Ecosystem disturbance form human activities	Socialization to related stakeholders regarding environment protection	Socialization related to RTE species (if any) Regular monitoring for willife species.

Unit Management is encouraged to monitor the existence of wildlife, in accordance with biodiversity management plan. (Observation)

Status:

#OFI 4.5.6.3

4.5.7 Criterion 7: Zero burning practices

4.5.7.1 Indicator 1: Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.

<p>Procedure of land preparation and related works for palm oil replanting is presented in document No. MLSL (Ed.2) – Sec.2 about “Manual Ladang Sawit Lestari Edisi II” issued by Senior Vice President in February 2017. The procedure has covers replanting policy which mentioned that land shall be cleared through zero burning method. According to estate record, it was informed that last replanting had carried out in 2014.</p>		
Based on observation to immature areas in FELDA Gugusan Raja Alias, it was found that there is no marks of burning activities. Moreover, there are no complaints or issues from external stakeholders related to replanting in Serting Hillir Complex. Replanting has conducted through mechanical zero burning method.		
	Status:	Comply
<p>4.5.7.2 Indicator 2: A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p>		
<p>As mentioned in Indicator 4.5.7.1, it could be concluded that there were no burning activities in FELDA Gugusan Raja Alias operational areas.</p>		
	Status:	Comply
<p>4.5.7.3 Indicator 3: Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.</p>		
<p>As mentioned in Indicator 4.5.7.1, it could be concluded that there were no burning activities in FELDA Gugusan Raja Alias operational areas.</p>		
	Status:	Comply
<p>4.5.7.4 Indicator 4: Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.</p>		
<p>As mentioned in Indicator 4.5.7.1, it could be concluded that there were no burning activities in FELDA Gugusan Raja Alias operational areas.</p>		
	Status:	Comply
<p>4.6 PRINCIPLE 6 : BEST PRACTICES</p>		
<p>4.6.1 Criterion 1: Site management</p>		
<p>4.6.1.1 Indicator 1: Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p>		
<p>Procedures (SOP) of oil palm Agronomy was presented in Sustainable Estate Manual or Manual Ladang Sawit Lestari (MLSL), issued in June 1st 2012 by Senior Vice President R&D, General Manager R&D (Plant and Health), Editor and Coordinator. The SOP used were similar with procedure used by FGV and divided into five documents as follows:</p> <ul style="list-style-type: none"> No. MLSL (Ed. 2) Vol. I – Sec. 1 (1.0 – 20.0) about management on nursery. No. MLSL (Ed. 2) Vol. I – Sec. 2 (1.0 – 20.0) about replanting. No. MLSL (Ed. 2) Vol. I – Sec. 3 (1.0 – 11.0) about immature palm management. No. MLSL (Ed. 2) Vol. I – Sec. 4 (1.0 – 12.0) about mature palm management. No. MLSL (Ed. 2) Vol. I – Sec.5 (1.0 – 8.0) about oil palm manuring. <p>The SOP has covers all agronomy aspects such as land preparation, nursery, planting, field upkeep, weeds control, integrated pest management, harvesting management, soil fertility enhancement (manuring, by-products application). In order to monitor SOP consistency implementation, several mechanism has been conducted by Estate Management, for example shows in the following documents:</p> <ul style="list-style-type: none"> Agronomy Advisory visit report for Raja Alias 02 Estate dated February 6th 2016, No. FGV/KNA/ADV-REPORT/2017 (FTSBA). Date of visit was in January 17th 2017. Overall Agronomy grade during this period was C+. Agronomy Advisory visit report for Raja Alias 04 Estate dated February 6th 2017, No. FGV/KNA/ADV-REPORT/2017 (FTPSB). Date of visit was in January 19th 2017. Overall Agronomy grade during this period was B-. 		
	Status:	
<p>4.6.1.2 Indicator 2: Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p>		
<p>Raja Alias 02 and 04 Estates management are not being able to shows topography and soil map. Information of</p>		

topography is presented in E-GIS map, with contour interval about 100 m (without scale). However, those information has also presented in document "Maklumat Asas Ladang Felda technoplant Sdn. Bhd. Raja Alias and Annual Budget Ladang Part "Kaedah Penentuan Hasil Tahunan Mengikut Muka Bumi dan Jenis Tanah". According to the information above, it could be concluded that slope in Raja Alias 2 were dominated by rolling to hilly, followed by flat area, while in Raja Alias 4 were dominated by flat area.

There is no presence of hilly to steep slope areas. Certain part nearby riparian zone were low lying which prone to flood, as confirm during field observation to Peringkat 1 Block 5 Raja Alias 2 (Mertiman River) and Peringkat 1 Block 15 Raja Alias 4 (Serting River). Regarding this matter, maintaining land cover crop through selective weeding and planting of legumes, EFB mulching and proper frond stacking were adopted for soil and water conservation purposes.

Unit Management unit has an opportunity to provide a proper topography and slope map. (Observation)

Status:

#OFI 4.6.1.2

4.6.1.3 Indicator 3: A visual identification or reference system shall be established for each field

Based on observation to Raja Alias 02 and 04 Estates which planted in 2010 to 2014 (replanting) areas, it was found that ground cover by legumes were seems satisfactory. Blocking was clear and road design was consider satisfactory. Pruned fronds were stacks properly on the inter row and inter palm on flat to rolling areas and parallel with contour line on rolling to hilly areas, which aims to minimize surface run-off and fertilizer nutrient leaching. Furthermore, in order to enhance organic matters and supporting nutrient K, it was found that the estate has implementing empty fruit bunces (EFB) mulching on palm circle. During 2017, EFB mulching in Raja Alias 2 had applied on 20 % of total areas and expected to be finalized on 2018. Furthermore in Raja Alias 4, EFB mulching had applied on 93 % of total areas.

Status :

4.6.2 Criterion 2: Economic and financial viability plan

4.6.2.1 Indicator 1: A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.

Business management plan was issued by Project Manager of FTPSB Raja Alias for period 2015 to 2022. Presented in document "Anggaran Kos dan Hasil Ladang". For example, management plan with parameter FFB, OER and production cost for period 2017 to 2020 is presented as follows:

Raja Alias 02 Estate (550.91 ha; 188 Smallholders or "Peneroka")

Estate Parameter	Projection			
	2017	2018	2019	2020
FFB (ton/year)	3,516.19	2,633.85	6,610.92	8,263.65
OER (%)	18.25	18.50	18.75	19.00
Cost (RM/ton/year)	360.00	500.00	500.00	470.00

Raja Alias 04 Estate (2,189.81 ha; 456 Smallholders of Felda/FTPSB)

Estate Parameter	Projection			
	2017	2018	2019	2020
FFB (ton/ha/year)	3.29	6.29	8.61	8.18
OER (%)	18.50	18.70	18.90	19.00
Cost (RM/ton/year)	275.00	275.00	275.00	250.00

Status:

4.6.2.2 Indicator 2: Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.

Based on list of year of planted, it was informed that palm in FELDA Gugusan Raja Alias were planted within 2010 to 2014 (first cycle or second generation). Hence, there is no replanting plan in the near future. Procedure mentioned that one cycle for oil palm cultivation was about 25 years. Therefore, next replanting is expected to be conducted in 2035.

Status:

4.6.2.3 Indicator 3: The business or management plan may contain:

- Attention to quality of planting materials and FFB.
- Crop projection: site yield potential, age profile, FFB yield trends.
- Cost of production: cost per tonne of FFB.

- d) Price forecast.
e) Financial indicators: cost benefit, discounted cash flow, return on investment

Estate management unit informed that all material planted in FELDA Gugusan Raja Alias was DxP Yangambi, produced by Felda Agriculture Service Sdn. Bhd. (FASSB). Currently, existing oil palm were first cycle which planted in between 2010 to 2014. Information towards crop projection, forecast and site yield potential were presented in Agronomy report. Assessment of site yield potential (SYP) has used by agronomist for fertilizer recommendation calculation purposes. Several factor counted in SYP are planting material, slope, planting pattern, planting density, soil properties, nutrient efficiency, previous and current leaf and soil analysis results, rainfall trends and limiting factors. Detail information towards SYP parameter has also presented in document Annual Budget Ladang Part "Kaedah Penentuan Hasil Tahunan Mengikut Muka Bumi dan Jenis Tanah".

FELDA Gugusan Raja Alias are able to shows annual budget for 2018 which divided into several section of works, i.e. manuring, harvesting, field upkeep (weeding), etc. example of business management plan is presented in Indicator 4.6.2.1

Status:

4.6.2.4 Indicator 4: The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.

Budget achievement assessment and evaluation were presented in several document, as follows:

- Annual Agronomy Advisory visit report.
- Annual Chief Operational Officer Visit report.
- Annual Internal audit

All documents mentioned above were available on Estate Office.

Status:

4.6.3 Criterion 3: Transparent and fair price dealing

4.6.3.1 Indicator 1: Pricing mechanisms for the products and other services shall be documented and effectively implemented.

FFB pricing mechanism are based on "Manual Penggredan buah kelapa sawit" issued by Malaysian palm oil board. This document explained the FFB price forecast i.e :

FFB price for 1 % Based OER = (CPOp-C-TC-AC)(BOER) + (PKPp-AC)(BKER)-(PC) / Based OER

FFB consignment price = FFB price for 1 % BOER x GOER x FFB tonnage (tonne)

CPOp = CPO price based on areas

PKPp = palm kernel price

C = Special charge (if any)

TC = cost transport per tonne CPO for buyer

AC = other cost (if any)

BOER = baseline oil extraction rate

BKER = based kernel extraction rate

PC = processing cost / tonne FFB by POM

GOER = kadar minyak perahan minyak digred yang ditawarkan kepada pembekal berdasarkan kadar perahan minyak asas setelah ditolak penalti (if any)

Document of FFB Pricing standard from MPOB are available, per December 2017. These standard as directive for POM considered OER, plant year, and etc in related to FFB pricing mechanism for FFB from smallholder, for examples on December 14th 2017 FFB prices are RM 496/tonne FFB.

Status:

4.6.3.2 Indicator 2: All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner

Raja Alias 02 and 04 Estates established policy on 1 November 2017 regarding policy on equal opportunity to workers, policy regarding child labor, policy regarding human rights, policy regarding ethics and integrity, and policy issued by ketua pegawai eksekutif FELDA TECHNOPLANT on January 4th 2016 (revision 5) regarding OHS. Evidence for

stakeholder consultation to related contractor regarding MSPO requirements are available, for examples on October 5th 2017 to all related contractors (attendance list, official letter) are verified by auditors.

Raja Alias 02 Estate

Company shown contracts for examples :

- SPK 2000148584, No 021842, related to harvesting activities FFB transport between Raja Alias 02 and koperasi serbaguna Serting 02 SDN, valid from 01/02/2017 until 31.02.2017
- SPK 2000150029, related to field upkeep between Raja Alias 02 and Shazrat enterprise, valid from 01/01/2017 until 31/12/2017.

There was also observed payment record to contractor, such as invoice, contract form and payment advice (payment receipt), for examples voucher payment 350796222 for november 2017 FFB harvest. Payment has been made timely on November 11th 2017 for koperasi serting 2 SDN.

Raja Alias 04 Estate

Company shown contracts for examples :

- SPK 3245/05/2017 between FELDA and AFZANIZAM BIN MOHD AJAMIN related " provides all tools, machineries, labour to FFB transport and manuring activities on Raja Alias 04 Estate", valid from 01/04/2017 until 31/12/2017
- SPK 3245 /03/2017 between FELDA and AFZANIZAM BIN MOHD AJAMIN related "provides workers and tools for harvesting foreman"valid from 01/03/2017 until 31/07/2017

There was also observed payment record to contractor, such as invoice, contract form and payment advice (payment receipt), for examples voucher payment for SPK 3245/05/2017 for november 2017 FFB transport adn manuring. Payment has been made timely on November 12th 2017 for related contractor.

Status	
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4.6.4 Criterion 4: Contractor

4.6.4.1 Indicator 1: Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.

Raja Alias 02 Estate

- Sighted agreement letter on 16 september 2017 for MSPO requirements compliance between company and Contractor jimey bersatu enterprise. This agreement letter are signed by both side (company and contractor) and stated that all contractors shall be comply with all relevant MSPO regulation.
- Sighted agreement letter on 16 september 2017 for MSPO requirements compliance between company and contractor Koperasi Serbaguna Serting 02 SDN. This agreement letter are signed by both side (company and contractor) and stated that all contractors shall be comply with all relevant MSPO regulation.
- Sighted agreement letter on 16 september 2017 for MSPO requirements compliance between company and Contractor Shazrat Enterprise. This agreement letter are signed by both side (company and contractor) and stated that all contractors shall be comply with all relevant MSPO regulation.

Raja Alias 04 Estate

- Sighted agreement letter on 01 october 2017 2017 for MSPO requirements compliance between Raja Alias 04 and contractor koperasi FELDA Serting 04. This agreement letter are signed by both side (company and contractor) and stated that all contractors shall be comply with all relevant MSPO regulation

Sighted agreement letter on 01 october 2017 for MSPO requirement compliance between company and pengurus projek (Afzanizam bin mohammad ajamin). This agreement letter are signed by both side (company and contractor) and stated that all contractor

Status:	
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4.6.4.2 Indicator 2: The management shall provide evidence of agreed contracts with the contractor.

Based on interview the contractor that knows they are has been read the draft of contract before signing the contract document and after signed the document, both of party filed 1 one of document each other.	
Status:	
4.6.4.3 Indicator 3: The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.	
The estate was audited by MUTU MSPO auditors with full cooperation from the management units. Sighted audit plan which have been accepted by company. As agreed, the respective operating units will accept the MUTU MSPO Auditors to verify through a physical inspection if required for audit purposed	
Status:	
4.6.4.4 Indicator 4: The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.	
Mechanism of contractor pursuance towards PPE, has carried out through daily field checking and inspection which conducted by Foreman listed on document "buku pemantauan PPE pejabat dan kontrak 2017".	
For examples on Raja Alias 02 Estate on July 3 2017 : workers type (manuring), block 1, type of PPEs wear are safety shoes, apron, mask N95, helmet, slovox gloves. For Raja Alias 04 Estate on : 16 november 2017, workers type (spraying), block 1, type of PPEs wear are safety shoes, apron, respirator mask, solvex gloves, helmet, and googles.	
Status:	
4.7 PRINCIPLE 7 : DEVELOPMENT OF NEW PLANTINGS	
4.7.1 Criterion 1: High biodiversity value	
4.7.1.1 Indicator 1: Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation	
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.	
Status:	N/A
4.7.1.2 Indicator 2: No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.	
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.	
Status:	N/A
4.7.2 Criterion 2: Peat land	
4.7.2.1 Indicator 1: New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.	
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.	
Status:	N/A
4.7.3 Criterion 3: Social and Environmental Impact Assessment (SEIA)	
4.7.3.1 Indicator 1: A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.	
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.	
Status:	N/A
4.7.3.2 Indicator 2: SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.	

No new planting sighted for this o FELDA Gugusan Raja Alias perating unit.		
	Status:	N/A
4.7.3.3 Indicator 3: The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.3.4 Indicator 4: Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.4 Criterion 4: Soil and topographic information		
4.7.4.1 Indicator 1: Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.4.2 Indicator 2: Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.5 Criterion 5: Planting on steep terrain, marginal and fragile soils		
4.7.5.1 Indicator 1: Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.5.2 Indicator 2: Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.5.3 Indicator 3: Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6 Criterion 6: Customary land		

4.7.6.1 Indicator 1: No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6.2 Indicator 2: Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6.3 Indicator 3: Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6.4 Indicator 4: The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6.5 Indicator 5: Identification and assessment of legal and recognised customary rights shall be documented.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6.6 Indicator 6: A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	N/A
4.7.6.7 Indicator 7: The process and outcome of any compensation claims shall be documented and made publicly available.		
No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status:	
4.7.6.8 Indicator 8: Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.		
No new planting sighted for this No new planting sighted for this FELDA Gugusan Raja Alias operating unit.		
	Status :	N/A

1.1. Noteworthy Positive Components at Stage-2

No	Description
1	Preparedness of Serting Hilir Complex towards the certification of MSPO
2	Well prepared document and implementation of MSPO
3	Good internal team-work and also cooperation amongst the entities managed
4	Having personnel with the competence and skills in accordance with their roles and responsibilities.
5	Good implementation of OSH at Raja Alias Complex by archeiving a Zero accidents during 2016-2017

1.2. Identification of Non-conformity at Stage-2

NCR No.	: 2017.01	Issued by	: Steve Mualim
Date Issued	: 13/12/2017	Time Limit	: Before next ASA
NC Grade	: Minor	Date of Closing	:
Standard Ref.	: 4.5.5.1 The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water) d) Protection of water courses and wetlands.		
<p><i>Non-Conformance Description & Evidence observed (filled by auditor):</i></p> <p>Based on field observation and interview with estate representative in Raja Alias Complex, it was noted that there is no riparian marking boundary (as required in manual pengurusan rancangan FELDA 2010) in Serting River Block 15 peringkat 1 Raja Alias 04 Estate and Mertiman River block 6 peringkat 6 Raja Alias 02 Estate.</p>			
<p><i>Root Cause Analysis (filled by organization audited):</i></p>			
<p><i>Correction (filled by organization audited):</i></p>			
<p><i>Corrective Action (filled by organization audited):</i></p>			
<p><i>Assessor Evaluation and Conclusion (filled by auditor):</i></p>			
Verified by	:		

1.3. Opportunity for Improvement (OFI)

No	Ref. Std.	Description
1	4.1.3.1	Consideration to set the specific duration for management review meeting and improve the coverage of discussion for the review of continuous suitability, adequacy and effectiveness implementation of MSPO.
2	4.4.4.1	Management unit are encourage to standardize facility on PPE storage
3	4.5.6.3	Unit management are encourage to monitor the existance of wildlife, in accordance with biodiversity management plan.
4	4.6.1.2	Estate management has an opportunity to provide a proper topography and slope map.

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

Public Issues (Institution/ NGO/Community)	Management Responses
<p>Pejabat Pendidikan Daerah (PPD)</p> <ul style="list-style-type: none"> Lot of contribution have been made by FELDA to the school for education funds such as (Skim Kecemerlangan Peneroka Felda SKPF) to the excellent student in exam. He also concern about the skip school (Ponteng Sekolah) among students in both primary and secondary school is increasing and affected the KPI indexes set by the education ministry. He hopes that FELDA management will help the school management to settle this issues. 	<ol style="list-style-type: none"> FELDA takes initiatives by putting some budget in 'Skim Kecemerlangan Pendidikan Felda (SKPF)' to tackles the problems related to student disciplines in FELDA's schools. Amongst the programs designs under the schemes are motivational and awareness camp. The objectives of the schemes are to gives awareness and assist in excellence of students in FELDA's schools. Therefore, FELDA has taken into account by has organizing the program of 'Program Kecemerlangan Pelajar' and 'Program Jelajah Iktiraf di Serting Hilir Kompleks' to the students in FELDA's schools as to fulfill the objectives.
<p>Head of Serting Hilir 4 Settlers (Ketua Peneroka)</p> <ul style="list-style-type: none"> He raised issues regarding the internal road within the FELDA and also flash flood caused by the drainage system. 	<ol style="list-style-type: none"> Roads within the FELDA area are maintained by the state government and FELDA. In Serting Hilir Complex, the road facilities provided are among the best and have improved this year. The management is aware of the drainage issues that caused flash floods that hit the FELDA area and they have raised this issue to the state and parliament. Moreover, the existing drainage systems are now unable to accommodate the available water velocity especially during heavy downpour. However, this problem did not result in severe floods but only resulted in uncontrolled water flow to the houses in low land areas. Action will be taken to repair the drainage system that in line with the approval of budget.
<p>Head of Serting Hilir 7 Settlers (Ketua Peneroka)</p> <ul style="list-style-type: none"> He has raised an issues shortage if workers that caused problem to harvesting and loading the FFB. Health Clinic (Klinik Kesehatan Desa) at FELDA Serting Hilir 7 are relatively small and cannot cater increasing number of patient, he suggested to upgrading the existing health clinic. 	<ol style="list-style-type: none"> The needs for foreign labours are approximately 60 people with a ratio of 1: 14. The current numbers of worker are 23 people and are lacking of about 37 people. However, the management tried to overcome the issue of labour shortage by gradually introduce the foreign workers. In 2017, the project side has

Public Issues (Institution/ NGO/Community)	Management Responses
	<p>received a total of 12 labours from India.</p> <p>2) The rural health clinic is not under FELDA authority but under the state health department. However, FELDA has assisted the problem to the responsible party.</p>
<p>Koperasi Peneroka Felda Serting Hilir 7 (Contractor)</p> <ul style="list-style-type: none"> • Payment are been made on time but a few cases some payment a little bit late. • He also raises an issues regarding the reclaim process for retaining fees (Wang Amanah) take times to settle. 	<p>1) FELDA has to prepare the payment certificate before 7th every month. The delays of payment certification is because of the contractor do not complete the works in schedules. Therefore, a fine will be issued to the contractor on the delays of work performed.</p> <p>2) FELDA has to prepare the closing payment certificate after all works are completed. All works between years 2013 to 2016 has been forwarded to the Region (Wilayah) for further action.</p>

1.5 Summary of findings and Recommendation

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<p>Recommendation of Certification:</p> <p>Due to No Major Non- Conformity finding, FELDA Gugusan Raja Alias is RECOMMENDED for MSPO Part 3 certification.</p>		

4.1

Formal Sign-off of Assessment Findings

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.

Signed on behalf of:

Company Name
Management Representative

Mutuagung Lestari
Lead Auditor



Ahmad Shahrir bin Ismail
Friday 22/12/2017



Mohd Hairimi Mohd Ali
Friday 22/12/2017

Appendix 1. Glossary

MSPO	:	Malaysian Sustainable Palm Oil
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MSPO PART 3 Report (1.0)

Prepared by Mutuagung Lestari for FELDA Serting Hilir Complex

MPOB	:	Malaysia Palm Oil Board
ARM	:	Agriculture Reference Manual
BOD	:	Biological Oxygen Demand
BTS (FFB)	:	Buah Tandan Segar (Fresh Fruit Bunch)
CePPOME	:	Certified Environmental Professional in the Treatment of POME
CEMS	:	Continuous Emission Monitoring System
CPO	:	Crude Palm Oil
CHRA	:	Chemical Hazard Risk Assessment
CSR	:	Corporate Social Responsibility
COBC	:	Code of Business Conduct
COD	:	Chemical Oxygen Demand
DOE	:	Department of Environmental
EFB	:	Empty Fruit Bunch
EMS	:	Environment Management System
EPSM	:	Environmental Protection Society Malaysia
FY	:	Financial Year
FELDA	:	Land Development Authority
FGV	:	Felda Global Ventures Berhad
FPIC	:	Free Prior and Informed Consent
GHG	:	Green House Gases
GPW	:	Gerakan Persatuan Wanita
HCV	:	High Conservation Value
HIRAC	:	Hazard Identification and Risk Assessment Control (HIRAC)
HSE	:	Health Safety and Environment
HQ	:	Head Quarter
IUCN	:	International Union for Conservation of Nature
KER	:	Kernel Extraction Rate
KKS (POM)	:	Kilang Kelapa Sawit (Palm Oil Mill)
LC	:	Land Clearing / Least Concern
LCC	:	Legium Cover Crop
LTA	:	Lost Time Accident
MPOB	:	Malaysian Palm Oil Board
MSDS	:	Material Safety Data Sheet
NCR	:	Non-Conformance Report
NPP	:	New Planting Procedure
NWSDM	:	National Council of Welfare & Social Development Malaysia
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
OHSA	:	Occupational Health and Safety Assessment
OER	:	Oil extraction Rate
PK	:	Palm Kernel
PPE	:	Personal Protective Equipment
POME	:	Palm Oil Mill Effluent
POM	:	Palm Oil Mill
PSQM	:	Plantation Services Quality Management
RSPO	:	RoundTable on Sustainable on Palm Oil
RTE	:	Rare, Threatened, or Endangered
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
SOM	:	Standard Operation Manual
SOCSO	:	Social Security Organization
SW	:	Schedule Waste

