

***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 Global Ventures Plantation (Malaysia) Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd.

Plantation Name : Felda Global Venture Plantation Malaysia Sdn Bhd [FGVPM Setiu 01]

Location : As per in table 1.3.

Certificate Code : **MUTU-MSPO/015**

Date of certificate issue : 22/10/2018

Date of expiry of certificate : 21/10/2023

Assessment	Assessment Date	Mutuagung Lestari Malaysia Auditor	Review by	Approve by
<b>Main/ST-2</b>	18 <sup>th</sup> – 19 <sup>th</sup> July 2018	Mahaswaran (Lead Auditor), Ebnu Holdoon Shawal [Auditor] Muhammad Rinaldi [Auditor]	Ganapathy Ramasamy / Peter	Hari Naveen Christopher

Assessment	Approved by MUTUAGUNG LESTARI MALAYSIA SDN BHD on:
<b>Main/ST-2</b>	<b>22/10/18</b>

Mutuagung Lestari Malaysia Sdn Bhd  
• B-09-26 Empire Soho • Subang Jaya • Petaling Jaya 47500 • Selangor • Malaysia  
Telephone (03) 50367280 • Fax (03) 50367290  
Email: hari@mutucertification.com • [www.mutucertification.com](http://www.mutucertification.com)

**TABLE OF CONTENT**
**LOCATION MAPS**

Figure 1& 2. Location and operation Map of estate	3-4
---	-----

**1.0 SCOPE OF THE CERTIFICATION ASSESSMENT**

1.1 Assessment Standard Used	05
1.2 Organization Information	05
1.3 Supply Base(s) Information	05
1.4 Other Certifications	06

**2.0 ASSESSMENT PROCESS**

2.1 Certification Body	06
2.2 Assessment Team	06
2.3 Assessment Methodology, Assessment Process and Locations of Assessment	06-07
2.4 Stakeholder Consultation	07
2.5 Determining Next Assessment	07

**3.0 ASSESSMENT FINDINGS**

3.1 Summary of Assessment Report of the MSPO Certification	07-32
3.2 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	33-36
3.3 Summary of Arising Issues from Stakeholders, Management and Auditor Responses	36
3.4 Summary of findings and recommendations	37

**4.0 CERTIFIED ORGANIZATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

4.1 Formal Signing of Assessment Findings	38
---	----

**APPENDICES**

1. Glossary	39-40
-------------	-------

**Figure 1. Location Map of Chalok POM & Ladang Setiu**

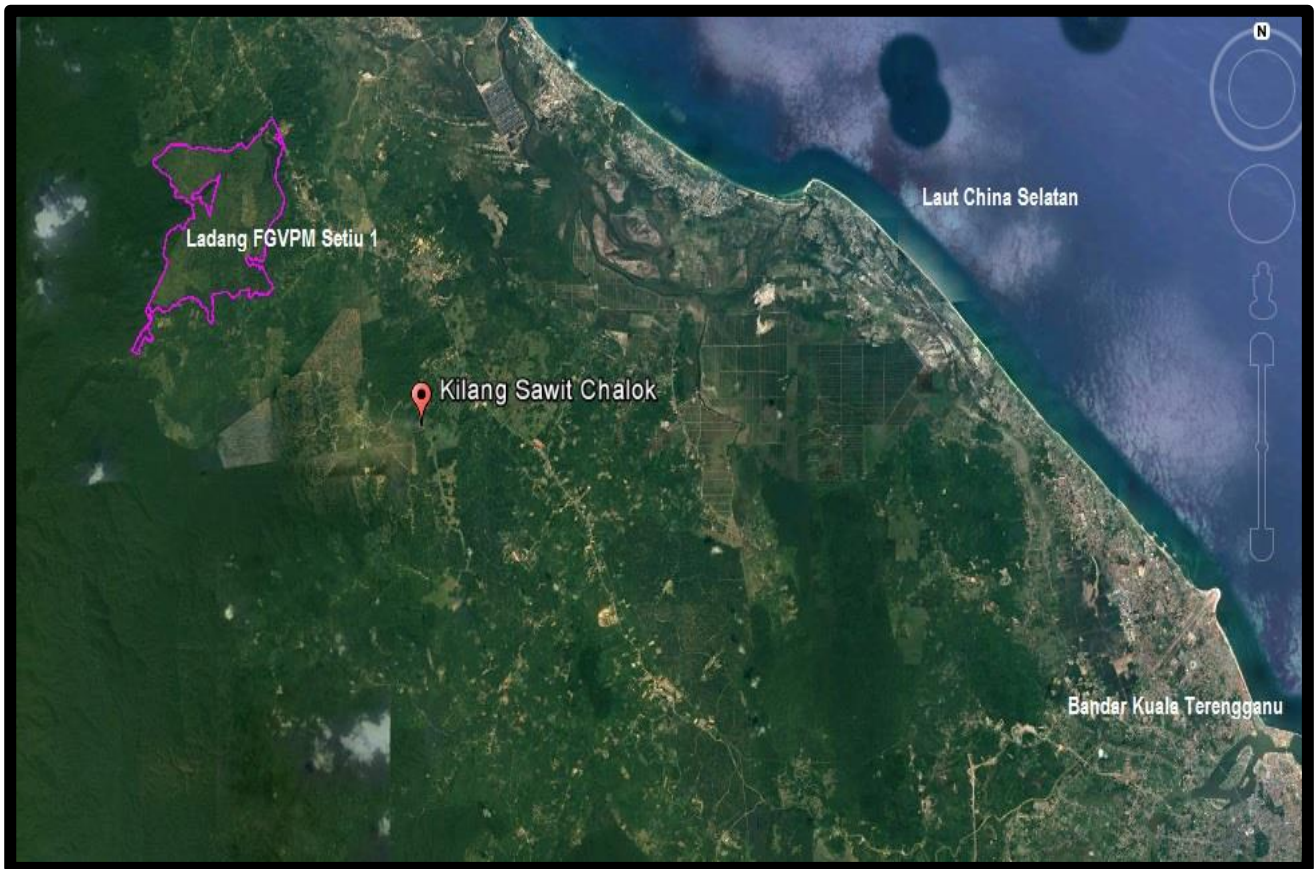
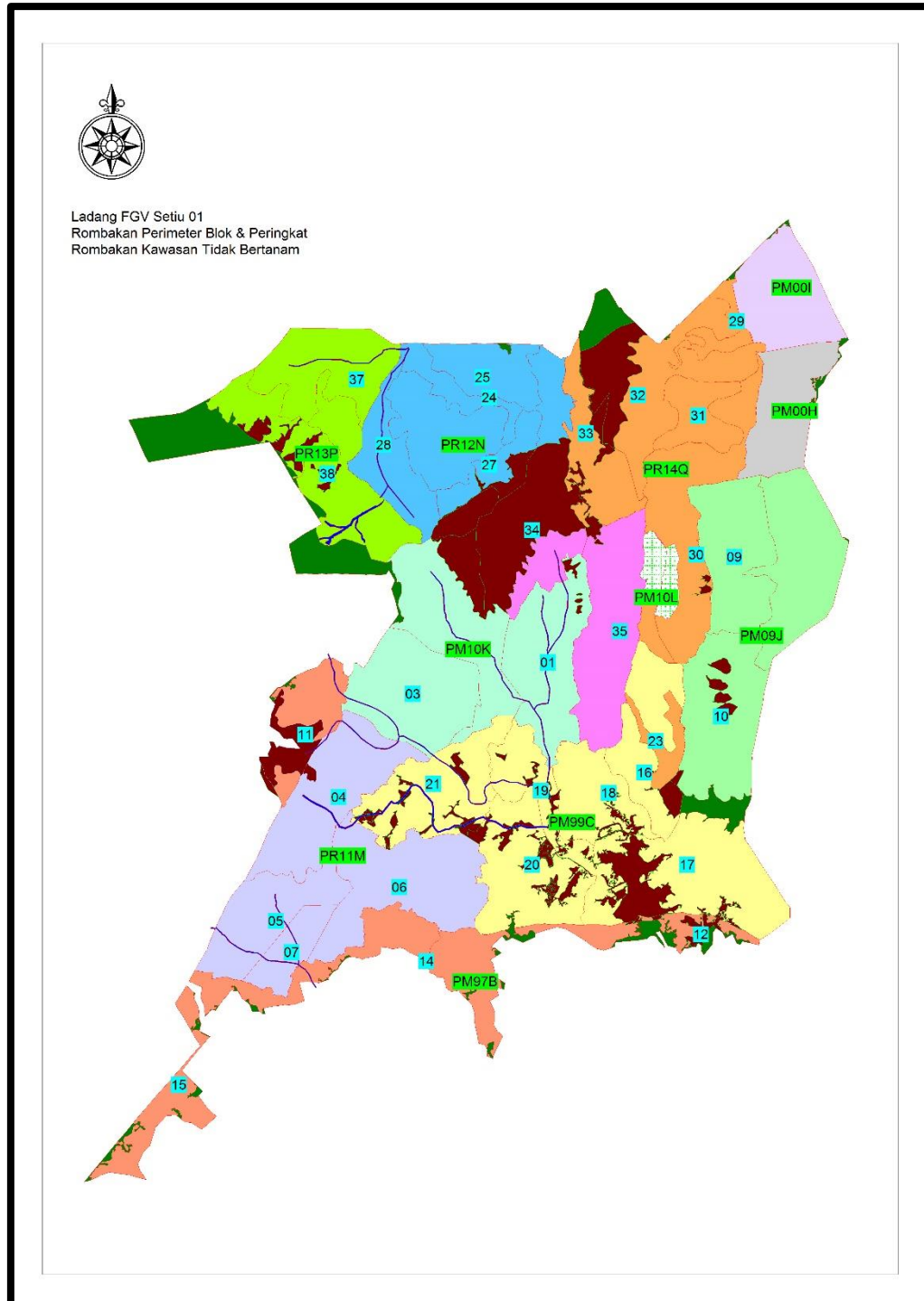


Figure 2. Operational Map of FGVP M Ladang Setiu



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 Global Ventures Holdings Bhd																									
1.2.2	Contact person		Mr. Norazam Abdul Hameed																									
1.2.3	Company address and site address		RSPO Registered Company: Felda Global Ventures (HQ) Level 45, Menara Felda, Platinum Park, No. 11, Persiaran KLCC, 50088 Kuala Lumpur, Malaysia.																									
1.2.4	Telephone		(+ 603) – 26005349																									
1.2.5	Fax		(+ 603) – 26987816																									
1.2.6	E-mail		<a href="mailto:norazam.ah@feldaglobal.com">norazam.ah@feldaglobal.com</a>																									
1.2.7	Web page address		<a href="http://www.feldaglobal.com">http://www.feldaglobal.com</a>																									
1.3	Supply Base(s) Information																											
1.3.1	Location of Certification Scope of Supply Base																											
	<table><tr><th rowspan="2">Name of Supply Base</th><th rowspan="2">Location</th><th colspan="2">Coordinate</th></tr><tr><th>Latitude</th><th>Longitude</th></tr><tr><td>FGVPM Ladang Felda Setiu 1</td><td>Pejabat Ladang Felda Setiu 01, Bandar Permaisuri 22100 Setiu. Terengganu. Malaysia.</td><td>5° 33' 17"</td><td>102° 43' 19" E</td></tr></table>					Name of Supply Base	Location	Coordinate		Latitude	Longitude	FGVPM Ladang Felda Setiu 1	Pejabat Ladang Felda Setiu 01, Bandar Permaisuri 22100 Setiu. Terengganu. Malaysia.	5° 33' 17"	102° 43' 19" E													
								Name of Supply Base	Location	Coordinate																		
	Latitude	Longitude																										
	FGVPM Ladang Felda Setiu 1	Pejabat Ladang Felda Setiu 01, Bandar Permaisuri 22100 Setiu. Terengganu. Malaysia.	5° 33' 17"	102° 43' 19" E																								
	<table><tr><th rowspan="2">Name of Estate</th><th rowspan="2">Total Area (Ha)</th><th rowspan="2">Planted Area (Ha)</th><th rowspan="2">FFB (tonnes/year)</th><th rowspan="2">Yield (tonnes/ha/year)</th><th colspan="2">Supplied to Mill</th></tr><tr><th>FFB (tonnes/year)</th><th>%</th></tr><tr><td>FGVPM Setiu</td><td>3104.26</td><td>2,395.82</td><td>25,472.34</td><td>10.53</td><td>25,472.34</td><td>100</td></tr><tr><td>TOTAL</td><td>3104.26</td><td>2,395.82</td><td>25,472.34</td><td>10.53</td><td>25,472.34</td><td>100</td></tr></table>					Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill		FFB (tonnes/year)	%	FGVPM Setiu	3104.26	2,395.82	25,472.34	10.53	25,472.34	100	TOTAL	3104.26	2,395.82	25,472.34	10.53	25,472.34	100
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)						Supplied to Mill																	
						FFB (tonnes/year)	%																					
	FGVPM Setiu	3104.26	2,395.82	25,472.34	10.53	25,472.34	100																					
	TOTAL	3104.26	2,395.82	25,472.34	10.53	25,472.34	100																					

\*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	RSPO Certified



<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Certification Body</b>
	<p>Mutuagung Lestari Malaysia Sdn Bhd.  B-0926 Empire Soho, Empire Shopping Gallery, Jalan SS 16/1 Subang Jaya, 47500 Petaling Jaya, Selangor, Malaysia  Website: <a href="http://www.mutucertification.com">www.mutucertification.com</a> Email: <a href="mailto:hari@mutucertification.com">hari@mutucertification.com</a></p>
<b>2.2</b>	<b>Assessment Team</b>
<b>Main ST-2</b>	<p><b>Mahaswaran Maliyapan (Lead Auditor) Malaysian.</b> Executive Master in Entrepreneurship Enhancement [Supply Chain Management], Professional Diploma in International Management Practices, Graduate Diploma in Business Administration and Diploma in Mechanical Engineering. Has vast exposure and experience in engineering, quality, 2nd &amp; 3rd party auditing in various industries and owns proven track records of auditing various multinational companies both locally and internationally. Certified Lead Auditor for ISO 9001, 14001, OHSAS 18001, RSPO P&amp;C, RSPO SCCS, RSPO Next and MSPO. Since 2012 trained in agriculture certification programs such as RSPO, MSPO and SCCS and holds role as lead auditor or auditor with several local and overseas certification bodies. He too in Quality Environmental Management System as well the Occupational, Health and Safety auditing.</p> <p><b>Ebnu Holdoon Shawal (Auditor) Malaysian.</b> Graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit including Felda POM and United Plantation as trainee auditor and have total 42-man days following the auditing activities. During this audit he has been assigned to verify the Transparencies and Environmental aspect.</p> <p><b>Muhammad Rinaldi (Auditor).</b> Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2007. He has attended training RSPO Lead Auditor, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, training of ISO 14000, training of HCV identification, training of OHS management system, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare.</p>
<b>2.3</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.3.1</b>	<b>Figure of person days to implement assessment</b>
<b>Main ST-2</b>	<p>Number of auditors: 3 auditors  Number of days for Main/Stage-2 at site: 2 days  Number of working days for Main/Stage-2 at site: 6 Working days</p>
<b>2.3.2</b>	<b>Detail process of assessment</b>
<b>Main ST-2</b>	<p>Mutuagung Lestari Malaysia Sdn. Bhd. [thereafter known as MUTU] has conducted on-site Certification Assessment for Setiu 01 [Estates] from 18<sup>th</sup> – 19<sup>th</sup> July 2018 by 3 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). The Stage 1 audit which to confirm Chalok Complex's readiness for the Stage 2 audit was done on 04/05/17 by Trismadi Nurbayuto (Lead Auditor) and Andi Prathama Pasaribu (Auditor) resulted with 4 findings. The client has responded with appropriate corrective actions prior to stage 2 audit.</p> <p>This 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. – the audit plan attached to this report as an appendix.</p>

<b>2.3.3</b>	<b>Locations of Assessment</b>
<b>MAIN / ST-2</b>	Total estate (1): FGVPM Setiu 01 Sampled estates (not applicable): <b>100%</b>
<b>2.4</b>	<b>Stakeholder Consultation</b>
<b>2.4.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>MAIN / ST-2</b>	<p>Consultation of stakeholders for Kilang Chalok, FPISB held by:</p> <ol style="list-style-type: none"> <li>Public announcement at web <a href="http://www.mutucertification.com">www.mutucertification.com</a> and <a href="http://www.rspo.org">www.rspo.org</a></li> <li>Consultation meeting and interview with Internal and external; Stakeholder (labour union, Orang Asli and gender committee) on 18<sup>th</sup> July 2018.</li> <li>Consultation with NGO (<i>Majlis Kebajikan dan Pembangunan Masyarakat Kebangsaan Malaysia</i>, Pesticide Action Network Asia &amp; Pacific, Environmental Protection Society) via email on 13 July 2018.</li> </ol> <p>Numbers of input from stakeholders were clarified by Kilang Kelapa Sawit Chalok FPISB.</p>
<b>2.5</b>	<b>Determining Next Assessment</b>
	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 Chalok Complex [Estates] – FGVPM operation consisting of one (1) estate. During this assessment, zero (0) Major non-conformity, two (2) Minor nonconformities and four (4) opportunities for improvement were identified against MS 2530-3:2013. Further explanation of the non-conformities raised are provided in section 3.5. MUTU found that Setiu 01 [Estate] – FGVPM 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** Setiu 01 [Estate] 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	
<b>4.1 PRINCIPLE 1 MANAGEMENT COMMITMENT AND RESPONSIBILITY</b>		
<b>4.1.1 Malaysian sustainable palm oil (MSPO) policy</b>		
<b>4.1.1.1 Indicator 1: A policy for the implementation of MSPO shall be established.</b>		
<p>Sighted the “Polisi Kelestarian Kumpulan” dated on 01/09/16 as for purpose to establish objectives and guidelines to understand and enforce various sustainability policies. Seen in page 8 of 14, bullet 6.4 quoting the management’s commitment towards the implementation of MSPO scheme. There is specific policy on MSPO, however the elements of MSPO seen linked to various Group Sustainability Policies such as commitment towards No Child Labour, No Deforestation, No Forced Labour &amp; Contract Substitution, Meeting the Minimum Wages Standard, etc.</p> <p>The estate workers and staff are being regularly briefed on Group Sustainability Policies during daily morning muster call and weekly meeting, sampled for 06/06/18. Interview with estate asst. manager Mr. Nazrul, who mentioned the sustainability policies were briefed during morning muster call and it was cross verified with training records found satisfactory. Contractors and external stakeholders were briefed and communicated on MSPO requirements as part of implementation process, this were evidenced with attachments of what are the policies been briefed.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.1.2 Indicator 2: The policy shall also emphasize commitment to continual improvement.</b>		
<p>Among the policies which linked to the continual improvements are, such as “Policy on Replanting” linkage to environmental monitoring plan, “Policy for Riparian” link to training and buffer zones. Generally, the policies regard to OSH were given high priority by having various improvement plans. The 16 policies are incorporated into various training programs such as PPE awareness, worker’s contract agreement, effective spraying techniques and etc.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.2 Criterion 2: Internal audit:</b>		
<b>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.</b>		
<p>Seen the annual internal audit dated on 16/05/18 covers requirements needed by the MSPO scheme and estate best practices. There were several non-conformities were found such as disputes on payslip over monthly deduction from wages, contract agreements not effectively maintained, training records not updated, no boundary stone mapping and etc. The annual internal audit was done by a team from PSD [Azwan, Amir and Hazwan]. The no-conformities which related to infrastructure were rectified prior to this audit. Some of the documents and records related findings still in the progress of completion. Auditor was briefed on the progress.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>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.</b>		
<p>Internal audit procedure [FGV/ML-1A/L2-Pr11] dated on 01/06/16 is currently being revised by the PSD team for the clarity of requirements of various sustainability programs. The process flow of the annual exercise is from establishing audit schedule → audit team selection → prepare audit plan → conduct audit – reporting of findings. Seen the estates sampled maintained the “pelan Tindakan Untuk NCR Internal Audit” which identifies the non-conformities addressed with action taken within 2 weeks to 1 month.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.2.3 Indicator 3: Report shall be made available to the management for their review.</b>		
<p>The findings from internal audit was responded by the estate management during the Management Review Meeting dated on 21/05/18 for the period Jan-Dec 2017. Since the MSPO kick started in 2017, therefore the findings resulted from internal audit was not captured. The findings were uploaded in the Compliance Monitoring System as part of communication and review done on 18/05/18.</p>		
	<b>Status:</b>	<b>Ok</b>



<b>4.1.3 Criterion 3: Management review</b>		
<b>4.1.3.1 Indicator 1:</b> 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.		
Management review meeting was done on 21/05/18 at estate's office chaired by estate manager. The minutes seen included of review on OHS, process performance, external audit performance, the decision on any changes, improvement, findings and respond of internal audit, FFB production, environmental issues and OHS and etc.		
<u>Observation:</u> The next meeting to include agendas such the decision on any changes, modification, continuous improvement plan and timeline for the establishment, implementation and maintenance of MSPO scheme.		
	<b>Status:</b>	<b>Obs</b>
<b>4.1.4 Criterion 4: Continual improvement</b>		
<b>4.1.4.1 Indicator 1:</b> The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.		
The estate established CIP for 2018/2019 that divided into 3 categories, such as social, environment, pesticide reduction. Sampled on pesticide reduction by either improve and/or adding barn owl 2018[120], 2019[120], 2020[120] and planting of beneficial plants [cassia, antigonon] 2018[4000 plants] and in 2019[4000 plants]. As for the environmental concern, there are plans to reduce erosion by planting cover crops and cross stacking of fronds. The CIP also seen reviewed by given consideration on social impacts that resulted from SIA and improvement focusing on the non-conformance resulted from internal audit.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.4.2 Indicator 2:</b> 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.		
Interview with estate managers, reveals there was no new information and techniques, or new industry standards and technology being introduced. The estate management improves their yield trend by education workers in accordance to Manual Ladang Sawit Lestari.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.4.3 Indicator 3:</b> 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.		
There is annual training calendar established as part of continuous improvement for OHS, environment and social. Sighted training records for estate workers on various topics that enhance continuous improvement of estate plantation performance. As mentioned in the 4.4.6.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2 PRINCIPAL 2: TRANSPARENCY</b>		
<b>4.2.1 Criterion 1: Transparency of information and documents relevant to MSPO requirements:</b>		
<b>4.2.1.1 Indicator 1:</b> 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.		
The centralize stakeholder meeting for Chalok Complex was done on 09/07/18, sighted the attendance record [total 30 attended] attached with the minutes of meeting. Various issues were discussed and communicated, the needs to protect the reserve forest [by member from Forestry department] who mentioned the Terengganu state has 42% of reserve forest and he briefed on basic awareness on what should be done by public, the purpose of sustainability policies, payment to contractors and PPE awareness.		
A log book established for tracking of internal and/or external complaint. Based on the log book for communication and respond, appears several external stakeholder's remarks such as from Setiu Land Department dated on 24/06/18 to verify on any land disputes with surrounding communities and Sek. Men. Sains Setiu requesting transportation for their students. Workers seen complaints on house maintenance and requesting to seek medical attention on day to day plantation activities.		
	<b>Status:</b>	<b>Ok</b>

<b>4.2.1.2 Indicator 2:</b> 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.		
The information on the publicly available documents seen specifically addressed in page 8 of FGV Sustainability Certification Handbook. This information also been communicated to external stakeholder during annual meeting.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2 Criterion 2: Transparent method of communication and consultation</b>		
<b>4.2.2.1 Indicator 1:</b> Procedures shall be established for consultation and communication with the relevant stakeholders.		
There is a procedure [Communication & Consultation ML-1A/L2-PR3(0)] dated 01/06/16 available for communicating and reporting of EMS, OHS and social issues with relevant stakeholders.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2.2 Indicator 2:</b> A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.		
The estate has appointed Anuar Abd. Ghani as window person to communicate and follow up with regards to stakeholder's issues. Sighted the letter dated on 08/01/18 was approved by estate manager Md. Ali bin Hamid.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2.3 Indicator 3:</b> List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.		
There are 2 types of stakeholder lists, 1 <sup>st</sup> on the complex level that covers broader scale and 2 <sup>nd</sup> for immediate stakeholder for respective sites. The latest reviewed of immediate stakeholder list consists of government agencies, JKPP and other interested parties. The meeting minutes with stakeholder are effectively documented. The complaint and feedbacks during centralize stakeholder meeting was responded by estate in the minutes dated 09/07/18.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3 Criterion 3: Traceability</b>		
<b>4.2.3.1 Indicator 1:</b> The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).		
The sampled estates have implemented SOP for Traceability [Manual Ladang Sawit Lestari] Doc No: MLSL(Ed)-Sec.4(8.0), dated 01/06/12 and SOP on Sustainable Supply Chain and Traceability FGV/ML-1B/L2-Pr1 dated 01/08/16 as to provide guideline to establish sustainable supply chain and traceability for FFB. Data capturing [bunch counting / grading] is done using conventional way of manual recording by using "Grading Chit". Sampled verified of chits of Feb, Mar, May and June 2018 with no negative findings. Sampled estates maintaining appointment letter for personals dedicated on monitoring traceability.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3.2 Indicator 2:</b> The management shall conduct regular inspections on compliance with the established traceability system.		
The harvesting field supervisor holds the responsibility on regular inspection, whereby the effectiveness of monitoring seen captured in the internal audit by PSD. Aside there is also field routine visit by the manager and annually visit by the agronomies and sustainability team members.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3.3 Indicator 3:</b> The management should identify and assign suitable employees to implement and maintain the traceability system.		
Based on the Manual Ladang Sawit Lestari] Doc No: MLSL(Ed)-Sec.4(8.0), dated 01/06/12, page 3 of 9 (point xx), it is the responsibility of respective field Mandor to maintain the traceability processes.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3.4 Indicator 4:</b> Records of sales, delivery or transportation of FFB shall be maintained.		
Interview weighbridge operator to understand the traceability of FFB from estate and delivery to mill. Verified the record of FFB recording for harvesting work [Chit Grading BTS] and Nota Hantaran BTS. Sampled tickets for Jan, Mar and Apr 2018 and cross checked with weighbridge result produced by the mill for the same period. Witness the FFB collection and loading to centralize bin at collection center.		
	<b>Status:</b>	<b>Ok</b>

<b>4.3 PRINCIPLE 3: COMPLIANCE TO LEGAL REQUIREMENTS</b>		
<b>4.3.1 Criterion 1: Regulatory requirements</b>		
<b>4.3.1.1 Indicator 1:</b> All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
<p>A mechanism to ensure compliance to LORR has been documented in FGV/ML-1A/L2-Pr6 dated 01/06/16.</p> <ul style="list-style-type: none"> <li>• MPOB License – 5599862000, expires on 31/03/19 [2560.23 Ha but planted area is 2395.82 Ha]</li> <li>• CHRA against USECHH 2000 reg. 12 – 30/04/18 [JKKP HIE 127/171-2(166) 2018/005]</li> <li>• Pay deduction in accordance to Sek 24, Act 1955 dated - 15/09/10.</li> <li>• Medical surveillance required by OSHA 1994, USECHH 2000 – 23/10/2017 for sprayers, store clerks and mandor</li> </ul>		
<b>Status:</b>		<b>Obs</b>
<b>4.3.1.2 Indicator 2:</b> The management shall list all laws applicable to their operations in a legal requirements register.		
<p>Seen a compliance checklist established for monitoring of schedule waste disposal, quarterly return form, final discharge, etc. Among the listed regulations are OSH Act 1994 – Act 514, FMM 1967 Act 139, MPOB 1998 Act 582, Socso 1969 Act 4, Trade Union 1959 Act 262, Children &amp; Young Persons Employment 1966 Act 350, etc. Sighted the list of compliance updated and circulated to mill and estates by the sustainability team from HQ.</p>		
<b>Status:</b>		<b>Ok</b>
<b>4.3.1.3 Indicator 3:</b> The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.		
<p>There is a Standard Operating Manual that guides the operating units on how to monitor the progress of applicable laws and regulations. The Plantation Sustainability Department [PSD] will update the estates if there are any changes in the legal requirements. The Legal Compliance Checklist dated 05/01/18 which list out all the Permits/Licenses and verified by Nazrul. LORR last updated on various dates in 2017 and 2018.</p>		
<b>Status:</b>		<b>Ok</b>
<b>4.3.1.4 Indicator 4:</b> The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.		
<p>The identification of changes is the responsibility of PSD in HQ whom shall notify in written to the estate representatives of the changes which normally the assistant manager. It then the PIC to delegate the information within the related estate staff. As for the issues concerning to environment and OHS, it is the responsibility of EHS unit [under the arm of PSD] to update and implement the changes. Sighted FAS-RSPO L1/K2.1/2.1.3 that keep tracks the compliance of applicable legal requirements. Sampled, OSH quarterly meeting minutes, medical surveillance for 2017, renewal of MPOB license and etc.</p>		
<b>Status:</b>		<b>Ok</b>
<b>4.3.2 Criterion 2: Land use rights</b>		
<b>4.3.2.1 Indicator 1:</b> The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.		
<p>According to the “Pemberian Hakmilik Tanah” from Terengganu Land Department dated on 18/04/11 [PTG. TR. 00/42/1995/C/002/01-44, it's a leased land for 60 years which registered under Lembaga Kemajuan Tanah Persekutuan [FELDA]. Based on the area statement, total title area is 3104.26 Ha and the planted area is 2395.82. Found there is a discrepancy as below which to be sort it prior to certification decision and will have a significant impact on the proposed development of unplanted area covered about 108.10 Ha into oil palm plantation:</p> <ul style="list-style-type: none"> <li>• Pemberian Hakmilik Tanah letter dated 18/04/11 from Land Department – 3050.49 Ha</li> <li>• Pengesahan Hakmilik dated 04/08/14 from Unit Tanah FGVP – 3091.85 Ha</li> <li>• Estate's Hectarage Statement – 3104.26 Ha</li> </ul>		
<b>Status:</b>		<b>Obs</b>
<b>4.3.2.2 Indicator 2:</b> The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.		
<p>FGVPM HQ pays the annual quit rent at which estate has no copies of the payment made. Sighted the payment for year 2017 for a total land bank of 13,304.88 Ha in Terengganu state.</p>		
<b>Status:</b>		<b>Ok</b>

<b>4.3.2.3 Indicator 3:</b> Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.		
During field visit, sighted the estate land area are adjoining to Gunung Tebu Reserved Forest, Felcra, smallholders, Kg. Ulu Seladang and Kg. Pancur Merah. At certain sampled locations, the original boundary stones visually sighted, trenches and fencing along surrounding neighbors serves as boundary. Field visit to Block 32 [next to reserve forest], Block 37 [Felcra Security Post], Block 14 [next to Kg. Ulu Seladang], Block 12 [next to Kg. Besut] and Block 40 [near to main road] seen the boundary markers are well maintained. GPS co-ordination of every boundary well input in the estate map stored in smartphone.		
Some of the sampled boundary markers were seen not visible as wild grasses grown excessively. The boundary poles are not able to correspond to GPS coordinates in the estate boundary map. There are insufficient records to evidence on why there was no action taken on the missing boundary markers after annual census exercise.		
	<b>Status:</b>	<b>Minor</b>
<b>4.3.2.4 Indicator 4:</b> 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).		
There is no evidence collected during this audit period for any legal, customary or user rights since this estate located surrounded by other FGV/Felda schemes.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.3 Criterion 3: Customary rights</b>		
<b>4.3.3.1 Indicator 1:</b> Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.		
"Pengenalpastian dan Penyelesaian Pertikain Tanah FGV/ML-1A/L2-Pr10 is applicable if any arising issues from the local communities neighboring the estate or stakeholders or during land surveying process by authorized agencies.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.3.2 Indicator 2:</b> Maps of an appropriate scale showing extent of recognized customary rights shall be made available.		
There are no communities nor individual has any implications for the legal status of their land.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.3.3 Indicator 3:</b> Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.		
There are no communities nor individual has any implications for the legal status of their land.		
	<b>Status:</b>	<b>Ok</b>

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>4.4 PRINCIPLE 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY AND EMPLOYMENT CONDITION</b>		
<b>4.4.1 Criterion 1: Social impact assessment (SIA)</b>		
<b>4.4.1.1 Indicator 1:</b> Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.		
<p>Social Impact Assessment was held on 14/05/18 by Plantation Sustainability department [Azwan Muhammad] from HQ. The assessment done by field interviews (group interviews and one-on-one interviews, consultation with the unit management, site observation and documentation review. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes. Sighted the negative impacts connected to a management plan that all falls within short term such as wild dog's movement at worker's quarters and the action taken was to engage with local veterinary.</p> <p>There are plans available for immediate and short term with monitoring activities. There were 6 negative impacts received during the assessment at which the management also developed programs to further enhance their commitments. Among the key issues were medical facilities for foreign workers, PPE allocation, the effectiveness of gender committee, freedom to raise concern and/or suggestion, training and language assistance for new comers, the awareness on contract agreement and etc.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2 Criterion 2: Complaints and grievances</b>		
<b>4.4.2.1 Indicator 1:</b> A system for dealing with complaints and grievances shall be established and documented.		
<p>The estate is maintaining a SOP No. FGV/ML-1A/L2-Pr12 for Communication/Engagement/Negotiation as the consultation and communication procedures to relevant stakeholders. The SOP has outlined the context of request &amp; response, consultation &amp; communication, and complaint &amp; grievance. A complaint and grievances logbook [internal / external] is kept in the office and whoever the staff at the moment in the office to receive and log the complaint. Since Jan'17 – June'18 seen only complaints made by estate workers pertaining to household maintenance. Stakeholder meeting by CB on 18/06/18 revealed external stakeholders has no negative feedbacks on estate's operation. This was cross verified with stakeholder logbook and found satisfactory results.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.2 Indicator 2:</b> The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.		
<p>The procedure also indicates the time line for responding in FGV/ML-1A/L2-Pr12 [point 6.2.3] where the process of receiving and executing actions for complaint &amp; grievances received consist in preliminary, stage 1 and stage 2. Complaints forms seen are responded within 1 -2 working day for all house repair matters.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.3 Indicator 3:</b> A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.		
<p>Estates provide specific form for housing repair request "<i>laporan Kerosakan Rumah</i>" which has been available to the workers. External and internal parties can record their complaint on the log book, complaint may have submitted and write directly in the logbook and also may submitted by phone. Seen a book named "<i>Rekod Peti Aduan</i>" used for all complaints, consultation and request either internal or external stakeholders. This book is clearly explained during Sustainability Briefing for both internal employee (from time to time) and external stakeholders (during Stakeholder Consultation Meeting). All internal employee and external stakeholders' can deliver their complaints and grievances directly to the management through filling the complaints form at Office Drop Box.</p>		
	<b>Status:</b>	<b>Ok</b>



<b>4.4.2.4 Indicator 4:</b> Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.		
It was confirmed during the interview with workers and stakeholders (contractor and school teacher) that they have been aware and understand to the complaint and grievance mechanism, including the personal in charge to handle the complaint and timeframe for responding. During the external stakeholder meeting on 09/07/18, sufficient briefing on complaint flow made. This was verified during stakeholder consultation, whereby all the attended stakeholders [JAS, JPS, JKS, Village Head and Contractors] agrees the company provides information either through WhatsApp portal or during annual stakeholder meeting. Those attended acknowledged circulation of memo also received as part of communication in regards of MSPO.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.5 Indicator 5:</b> Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.		
Seen the internal and external stakeholders log book for estate. At this moments, no negative complaints made by either party in the last 24 months. Its more to request and response from them for household maintenance which the estate management responded timely. Sighted all internal complaints filled and responded and records maintained from 2017. At this moments, no negative complaints made by either party in the last 24 months. Sighted complaints filled and responded more to request and response from them for household maintenance which the estate management responded timely.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.3 Criterion 3: Commitment to contribute to local sustainable development</b>		
<b>4.4.3.1 Indicator 1:</b> Growers should contribute to local development in consultation with the local communities.		
Based on the external stakeholder log book and stakeholder meeting minutes, there was no evidence that local communities have requested either monetary nor logistics for their community development. There was no significant contribution either monetary nor infrastructure for the local's sustainable development. Generally, the local communities request for assistants through means of meeting, such as Friday prayers which normally not recorded by certificate holders. Most of the vouchers seen for school activities through Parents and Teachers Association. As for year 2017, the estate management has contributed RM 6,700 for the needs of surrounding schools.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.4 Criterion 4: Employees safety and health</b>		
<b>4.4.4.1 Indicator 1:</b> An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.		
Estate has occupational safety and health policy that contained on "Dasar Kualiti, Keselamatan Kesihatan Pekerjaan dan Alam Sekitar" date of revision 1 February 2017, signed by Ketua Pegawai Executive, Felda Palm Industries Sdn Bhd. The policy is written in Bahasa, which stated that FGV(P) committed to delivering value to our stakeholders by operating in a sustainable and environmentally manner. Estate has shown evidence that the policy has been socialized to the workers with the attendance list on January 28, 2018 to all workers. Based on interviews with workers, it is known that there is safety briefing that explain about the OSH policy.		
Estate shows document of "Borang Program & Kemajuan Keselamatan Kesihatan Pekerja Tahun 2018", which describes the plan as follows:		
<ul style="list-style-type: none"> <li>• Work safety and health training</li> <li>• PPE Using Monitoring every month</li> <li>• Safety checklist every 3 months</li> <li>• Conduct a medical checkup once a year</li> <li>• Firefighting training</li> <li>• OSH meetings every 3 months</li> </ul>		
The Estate can show the realization of the OSH program, among others:		
<ul style="list-style-type: none"> <li>• Health checks conducted in October 2017 to 33 workers that exposure by chemical</li> <li>• First Aid Training and Fire Drill</li> <li>• OSH meetings conducted every 3 months</li> </ul>		
	<b>Status:</b>	<b>Ok</b>

**4.4.4.2 Indicator 2:** The occupational safety and health plan shall cover the following:

- 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:
  - all employees involved shall be adequately trained on safe working practices; and
  - 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 Assessment 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

Estate has occupational safety and health policy that contained on "Dasar Kualiti, Keselamatan Kesihatan Pekerjaan dan Alam Sekitar" date of revision 1 February 2017, signed by Ketua Pegawai Executive of Felda Palm Industries Sdn Bhd. Estate has shown evidence that the policy has been socialized to the workers with the attendance list on January 28, 2018 to all workers. Estate showed HIRADC describing risk assessment for each type of operational activity reviewed on 15 January 2018.

Based on the field visit it was found that workers have been given PPE according to risk assessment for example in spraying activity it was known that workers had been given PPE in the form of masks, googles, boots, apron, helmet, glove. The recording of PPE is stated in the document "Rekod Penyerahan dan Pemulangan Peralatan PPE" for each worker such as Kobir has been given safety boots on July 04, 2018.

Estate has shown the Training Program on 2017 which describe a training program on chemical control & spill procedures planned in February 2017 and was implemented on 22 November 2017 to 36 workers and Spraying Procedures Training planned in August 2017 and was implemented on dated August 17, 2017 to 21 spray workers. Based on interviews with spray workers, it was explained that workers have been trained about spraying procedures performed at least once a year.

Based on the results of field visits to chemical warehouse, it is known that there are label and sign according to the regulation. In addition, the estate also showed a Health Check conducted in October 2017 for 33 workers that exposure by chemicals. The spray worker explain that medical check-up routinely conducted every year.

The estate already has an OSH Organizational Structural. The making of the organization has included the Manager, Secretary, 7 Representative of Employee and 7 Representative of Employer. There is a Letter from the Manager of Setiu-1 Estate letter no. 02) HSE/FGVPM/PWT/03 dated 17 January 2018 which describes the inauguration of the organization Occupational Safety and Health. OSH meeting activities have been conducted regularly every 3 months.

The last meeting took place on May 22, 2018 and there was a Minutes of OSH Meeting attended by 21 participants (Managers, Secretary, employer and employee representatives) discussing accident reports, workplace inspections, emergency response tools checks, complaints related to OSH.

Estate shows evidence that it has provided an overview of accident and emergency training, such as the Fire Fighting training on March 27, 2018 to 52 workers, first aid training on July 18, 2018 to 27 workers including Supervisor and field staff and first aid certificate issued on February 8, 2018 to 3 staff. Based on interviews with supervision at harvesting, manuring and spraying, it is known that every supervision has equipped by first aid box and the supervision have been able to explain how to handle first aid.

The Estate shows the document of “Daftar Kemalangan, Kejadian Berbahaya, keracunan Pekerjaan dan Penyakit Pekerjaan for period 2017” that printed from DOSH website (mykkp.dosh.gov.my). Based on the data, it is known that in 2017 there is only 1 work accident. Discussions on occupational accidents are included in OSH Meeting activities, for example at a meeting on May 22, 2018, there were discussions related to work accidents that occurred in January 2018 related to accidents on slipped worker.

**Status:**

**Ok**

### 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.

Estate has policy of human right, issued dated 01 June 2014 and Signed by the President & CEO of FGV Mohammed Emir Mavani Abdullah. The policy highlights the company's commitment to support human rights. In order to the realization of the policy, FGV is committed to take into consideration the human rights requirements in structuring its manual, procedures, and other company's policies. In addition, FGV shall always continue to participate in various efforts to support and also participate in various activities to promote corporate responsibilities in order to honors human rights. The policy is communicated to the worker by placing it on the Police Sustainability notice board.

**Status:**

**Ok**

**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.

Estate has “Polisi Kesetaraan Peluang” issued on 01 June 2014 that signed by President & CEO of FGV Mohammed Emir Mavani Abdullah. FGV group will ensure that all workers and those applying for work shall, receive equal treatment and shall not participate or support any type of discrimination based on race, nationality, religion, disability, sex, age, sexual attraction, union members and political beliefs. Based on the interview with the foreign and local workers in the plantation, no issues found regarding to the discriminatory and social issues at the estate operation.

**Status:**

**Ok**

**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.

Rate of wages for local and contract/foreign workers under FGVP(M) Sdn Bhd shall use the latest payment scheme under “Buku Panduan Kadar Upah Kerja Ladang Bil 5/2017” Minimum wage of RM1,000 per month for Peninsular Malaysia. The wage setting was approved by FGVP CEO.

**Status:**

**Ok**

**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.

The FGV Chalok Complex (including Setiu-01 Estate) has conducted stakeholders meeting including the contractors on 18 June 2018 which explaining about all policy in the Estate including MSPO Policy and MSPO requirement including the payment to the worker. Based on interview with contractor (Koperasi Felde Chalok Rahmat), is explained that the contractor workers has been paid with legal minimum standard (RM 1,000).

**Status:**

**Ok**

<b>4.4.4.5 Indicator 5:</b> 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.		
Estate can show the worker list period July 2018 in the form of "Labor Employment Report" that informing full name worker, IC or Passport, Citizenship, Birth Date, date of entry, gender and document of "Labor Statement-Incoming Detail" that informing job description and wage. The total worker is 294 with the citizenship from Malaysia, Indonesia, India and Bangladesh.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.6 Indicator 6:</b> 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.		
The estate can show contracts with workers for foreign and local workers that have been approved and signed by both parties, such as a contract of work on behalf of Vikram Singh (India citizen) on June 23, 2018. In addition, the estate also shows the document "Akuan Penerimaan Perjanjian Kontrak Pekerjaan" signed by a worker such as Vikram Singh on June 26, 2018. In the contract, it has explained about working conditions such as working hours, salary, accommodation and subsidy, health and medical examination, work equipment till employee leaves. Based on interviews with local and foreign workers, it is known that every worker has a working contract with management.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.7 Indicator 7:</b> The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.		
Records of working time and overtime are recorded in pay slip documents, for example for pay slip on behalf of Fadil Bin Mat Sudin on June 2018, there are 20 working days with 1 day no entry, 2 days of annual leave, 5 Sunday and total overtime is 5 hours 30 minutes.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.8 Indicator 8:</b> 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.		
The working hours and breaks for the workers in the estate arranged in the document of "Perjanjian Bersama" and "Kontrak Kerja" which explains that working hours are 8 hours in 6 days/week. For overtime recording has been done on "Rekod Harian Waktu Kerja Lebih Masa" which describes overtime hours and details of work. The document is made for each worker and signed by worker.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.9 Indicator 9:</b> Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.		
Pay slip for the month of June 2018, such as, Saddam Hossain, Passport BPO482382 (Bangladesh), Total Income 1,304.95, Total deduction 14.82, Net Pay 1,290.13. Mahyun (Indonesia) passport B0499038, total Income 1,031.79 Total Deduction 12.03 Net Income 1,019.76. Based on interviews with workers and worker representatives, it is known that there is no problem in wages and has been accordance with the regulation.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.10 Indicator 10:</b> 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.		
Based on the payroll slip of June 2018, it is known that there are incentives to workers, such as pay slips on behalf of Fadil Bin Mat Sudin there are incentives in the form of attendance allowance, overtime, paid leaves and allowance for SOCSO & KWSP.		
	<b>Status:</b>	<b>Ok</b>

<b>4.4.5.11 Indicator 11:</b> 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, the estate has provided public facilities such as workers housing, mosque and clinic. The estate also giving subsidized for Electrical supply from TNB and water supply (RM 10)		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.12 Indicator 12:</b> The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace		
Sighted a published policy in Bahasa Melayu on sexual harassment and violence as well as the policy for reproductive rights, those documents were signed by the President & CEO FGV on 01/06/14. Estates has been formed the gender committee to handle any complaint and grievance in associate with gender issues including but not limited to sexual harassment and reproductive. Based on interview with female worker, there are known that there is a gender committee to handle any complaint about sexual harassment.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.13 Indicator 13:</b> 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.		
The Estate showed a policy of freedom of speech and membership policy approved by the FGV President & CEO dated 01/06/14. FGV gives the right to freedom of speech (in accordance with the law) and does not prevent individuals from joining unions or other registered unions and obtaining the existing FGV approval within the FGV group. The Estate also has showed the Minutes of Meeting of "Kesatuan Pekerja-Pekerja FGVP on 18 December 2017.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.14 Indicator 14:</b> 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.		
The Estate shows a policy on child labor approved by President Director & CEO of FGV dated 01/06/14. The FGV group does not allow individuals below 18 years to work under current law. Based on Estate worker's list for period July 18, there are no workers under 18 years. Based on field observation, there are no indication using the worker under 18 years.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.6 Criterion 6: Training and competency</b>		
<b>4.4.6.1 Indicator 1:</b> 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.		
Estate has the Training Programme and attendance records for workers and contractors on 2018 describing the training schedule for example:		
<ul style="list-style-type: none"> <li>• Training on manuring safety procedures planned for April 2018 - 14 workers and Field Tractor Drivers</li> <li>• Quality and safety spraying training is planned in August 2018</li> <li>• Waste management schedule training in June 2018</li> <li>• Harvesting training is planned in February 2018 - 80 participants from Field Tractor Drivers and workers</li> <li>• IPM training is planned in May 2018 - 8 workers and Field Tractor Drivers</li> <li>• Replanting training is planned in January 2018 - 28 participants from Field Tractor Drivers, workers and contractors</li> </ul>		
	<b>Status:</b>	<b>Ok</b>



**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.

Based on interviews with harvesters, fertilizer and spray workers, it is known that workers have been trained on how to work and safety at work is done for each activity.

**OFI**

Consideration to improve the effectiveness of training regarding to spent pesticide containers.

<b>Status:</b>	<b>Obs</b>
----------------	------------

**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.

Estate can show that the training program is done continuously. It is shown that the company has training programs in 2017 and 2018. In addition, there are training activities conducted in 2017 and 2018, for example harvesting training has conduct on February 27, 2017 and performed again on February 19, 2018.

<b>Status:</b>	<b>Ok</b>
----------------	-----------

**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.

The company had developed the environmental policy of company such as policy of scheduled waste management, waste management, river buffer zone, identification of HCV area and biodiversity policy, and group sustainability policy of FGV Holdings. The company had developed the report regarding the aspect impact of environment through estate activities, schedules waste and pollution in document criteria 5.1/5.3/5.6. Sighted the talks and awareness regarding the Policy of FGVH, sustainability, and procedure related to emergency on 6<sup>th</sup> June 2018 on 630 am on roll call area.

The company had developed SOP'S regarding the Environmental such as "Polisi Perlindungan Tanah Curam dan Rezab Sungai", "Polisi Perlindungan dan Penjagaan Alam Sekitar", "Polisi Larangan Pembakaran Terbuka" and "Polisi Kitar Semula" as the policies that related to concern of environment. Sighted the policy Kelestarian Kumpulan dated 1<sup>st</sup> September 2016 that include the objective, application and scope, definition, responsibility and compliance to policy, policy management, commitment FGV towards the sustainability, environmental and economic soisal.

<b>Status:</b>	<b>Ok</b>
----------------	-----------

**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.

Sighted the environmental management plan for the estate dated 26<sup>th</sup> February 2018 that include action plan to reduce impact on polluting activities. FGV Setiu 01 had developed a for identification of aspect and impact assessment form number FGV/ FGVPM / 15/16.1 that refereed to estate operation including the activities, aspect, impact, issues related, compliance towards legality, risk, risk assessment (AXBXC=D). The company had also identified following details on impact assessment, source of pollution, action needed, responsible person, time line needed for 2018 (Jan – Mac, April to June and October – December) and monitoring (percentage of recycling, numbers used for premix usage).

e.g. ; triples rinsed store and collection of pesticides container → aspect chemical container → impact land contamination → issues, NO → legal compliance: environmental act → risk summoned by authority → control Prosedur Kerja Selamat. Sighted the impact from the environment related to non-waste and summarize verified the form the activities of estate, it was found that the spraying activities had contribute more towards the black some emission and diesel spillage from fuel refueling.

Based on the document verification, criteria aspect impact had been classified as per details on index frequency, severity number 4 for daily, severity index number 3 for weekly, severity number 32 for monthly bases and severity index no. 1 for yearly. Sighted the score and risk for two stages which is 1<sup>st</sup> stage between 12 and 16 and stage 2 less than 12. Based on the analysis, the significant index will need to prepared the objective and management plan however less significant will reduce on pollution in and determination control.

<b>Status:</b>	<b>Ok</b>
----------------	-----------

**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.**

The company had developed environment improvement plan to mitigate negative impacts include in control of operation. Relevant management program developed for each identified significant aspect. Targeted completion date observed in the management program. Management program developed for yearly basis. Responsible person identified for each action plan. Thru the site observation, the operation control of significant aspects was well performed. Sighted the identification of Environmental Aspect and evaluation of Significance form no FPI/L4/QOHSE 1.7 Pindaan 1 e.g. activity, type of operation, volume and etc.

Based on the subject on aspect impact and risk assessment based o frequency, severity, cases number, and score, the determine control had been made in to level, sever/ n on severe / action by and assessment, the improvement plan had been done according to score of frequency X Severity x cases = Score. The improvement plan had been assigned to the person in charge according to severity and non-severity basis.

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

Continual improvement plan had been developed into the environmental management plan of FGV Setiu 01 for year 2018. FGV had developed the summary regarding the identification and program to promote positive impacts towards environment which include activity identification, input and output aspect → identification impact towards environment → aspect quantification → identification the situation and environment → aspect analysis → manage according to the importance. Based on all the aspect procedure , the summary of the aspect environment is to promote positive impact on all estate activity and the management had allocated the person responsible including the mandore, assistant manager, department head, assistant manager and recorded in the form of identification of aspect impact.

**Status:**
**Ok**
**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.**

Based on the document verification, FGV Setiu 01 had developed a training program that will assigned to the contractors of FGV, workers, staff and management and also the awareness to local stakeholders. The company had engaged the local contractors and the talk awareness regarding MSPO and RSPO had been done on 20<sup>th</sup> June 2018 at meeting room FGV Setiu 01 attended by 20 numbers of people, staff management and contractors. The estate had also made periodically training during the muster call by management including assistant managers and staff.

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

The management had organized several meeting related to environment dated 21<sup>st</sup> May 2018 at meeting room Felda Setiu 01 attended by manager, assistant manager, mandor and etc. Based on the document verification, the management review related to environment had been included in aspect impact of environment that person in charge is the assistant manager. The review included such as improvement on activity of replanting for the aspect impact assessment, updating aspect impact for year 2018, improvement pan related to reducing plan, reducing aspect impact of environment, recycle of waste item, reducing on pollution and social impact improvement.

**Status:**
**Ok**
**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.**

Sighted the monitoring diesel use per ton FFB was included in fossil fuel monitoring of FV Setiu 01. There is a record of 2018 from month January to June 2018:

Month	Jan 2018	Feb 2018	Mar 2018	April 2018	May 2018	June 2018
Diesel used (liter)	6,251.00	5,002.00	8,392.00	9,520.00	5,420.00	8,600.00
FFB Production (ton)	1,441.29	1,271.45	1,512.56	1,935.84	1,303.87	1,750.44

Diesel / ton FFB(liter/ Tan)	4.34	3.93	5.55	4.92	4.16	4.91	
Based on the documentation of diesel monitoring, sighted the fluctuate trend of diesel used per ton FFB by the estate until June 2018.							
Status:							Ok
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.							
Sighted the oil palm premises regarding plan reducing of diesel usage for year 2018/2019 for Estate FGVPM Setiu 01 Sighted the diesel usage from January to June 2018 actual and planning which are on monitoring, reducing and recording usage of diesel in FFB transporting form estate to mill and daily operation of estates → shut down the engine during waiting for the FFB Transporting → usage of solar panel to reduce diesel usage for genset → Training awareness to the responsible person in charge.							
Status:							Ok
4.5.2.3 Indicator 3: The use of renewable energy should be applied where possible.							
Usage of renewable energy is not available in the estate. However, the estate had utilized the EFB usage from the mill FGV Chalok dated 10 <sup>th</sup> June 2018 (4.86 MT), 25 <sup>th</sup> June 2018 (5.45MT) and 1 <sup>st</sup> July 2018 (6.97 MT) form the mill. Sighted the record of EFB transport from the mill to FGV Setiu 01 that utilized the EFB in mill for mulching in the estate.							
Status:							Ok
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.							
The company had identified the waste products and sources of pollution of the Estate FGV Setiu 01 that include scheduled waste item and non-Scheduled waste items, such as used PPE, spent chemical and container, paint container, lubricant and filters and etc. the non-scheduled waste are fertilizer bags, tires, scrap irons and domestic waste.							
Major Non Conformity							
However, waste products and sources pollution has not been fully identified and documented. It was found that sampled estates were not effectively identified the source of pollutions from the contractor operations and below are the evidences collected by audit team during site and/or field visits at tractor parking / tractor pool and office area comprising:							
i) Spent Lubricant Containers and spent hydraulic containers							
ii) Contaminated soil with lubricant and diesel							
iii) Spent Acid Plumbum batteries							
Status:							Major
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:							
a) Identifying and monitoring sources of waste and pollution.							
b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.							
Based on the management plan of the estate including the domestic waste and spent waste, sighted the plan had been made on year 2018 / 2019 from January – December 2018 that include:							
Sources of waste	Type of waste	Activity to reduce domestic waste and disposal	Person in charge	Status			
Estate operation	Fertilizer bags	Record the disposal of fertilizer bags	The clerk and PDP staff	On Going Monitoring			
		Training on waste management and scheduled waste to the workers and staff	Store clerk				
Estate and line site area	tires	Beautification program	Workers				
Status:							Ok

<b>4.5.3.3 Indicator 3:</b> 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.		
Sighted the procedure of waste management in FFGV Setiu 01– Prosedur Kerja Selamat Pengendalian Bahan Buangan Terjadual (Scheduled waste) – FGV-ML -1A/L2-Pr19 issued no.1 effective date on 1 <sup>st</sup> June 2016. Based on the SOP of handling scheduled waste, there is a clear procedure of disposal waste material that include: <ul style="list-style-type: none"> <li>i) Management of waste disposal</li> <li>ii) Notification of waste disposal</li> <li>iii) Labeling of waste disposal</li> <li>iv) Storage of waste disposal</li> <li>v) Inventory of waste disposal</li> <li>vi) Collection and transportation of scheduled waste</li> <li>vii) Recycling and disposal of scheduled waste.</li> </ul> Sighted the procedure of handling chemical of waste which include in document no. ML-1A/ L2- Pr9 (0) effective date on 1 <sup>st</sup> June 2016 that clearly stated the objective, scope, responsibility of manager, assistant and staff, handling procedure, storage, transportation and usage before and after. Based on the document verification, the estate had send plastic and papers to recycle contractor ((RD Papers Sdn Bhd) dated 11 July 2017total up RM 276.10.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.3.4 Indicator 4:</b> 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.		
The estate had made a storage area for the tripled rinsed container inside next to the chemical store. Sighted the empty pesticides record from triple rinsed item for month of July 2018, such as Ken Glyphosate – 2 Nos, Kenlon – 6 Nos, Surfactant – 1 Nos, Monex – 1 Nos, Supresate – NIL and Cypermethrin – 2 Nos. Based on the recycle item collection, sighted the latest collection of tripled rinsed container for the month of June 2018 to the registered collector. Proper management of tripled rinsed including the chemical washing area at the estate observed.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.3.5 Indicator 5:</b> Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.		
Domestic waste had been dumped at landfill area of Majlis Daerah Setiu. Sighted based on the records, the logbook of daily transportation for the waste removal dated 15 <sup>th</sup> July 2018, 16 <sup>th</sup> July 2018 including the time and vehicles number. The dumping site located at 8km from the estate of FVV Setiu 01 and contract of housing area by contractor observed. Proper schedule and maintaining of domestic waste made available inside the estate.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.4 Criterion 4: Reduction of pollution and emission</b>		
<b>4.5.4.1 Indicator 1:</b> An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.		
Assessment regarding the polluting activities had been conducted including GHG emission and scheduled waste recorded in basic information of GHG 2017 from January – December 2017. Sighted the fertilizer for year 2017: ground magnesium limestone, rock phosphate Egyptian, NK, NPK MAG Granular, Agrobien, PALM Agro Arbuslucar. The diesel usage 2017 – total usage of 3916.73 including the lorries, tractor and mini tractors. Sighted the used pesticide for year 2017: [Butik Super, Dithane, Garlon 250, Monex, Starane, Sodium chlorate, surfactant, Cypermethrin, Kenlon, Python, Metfuron 20, Alion, Biocus Beta and Furadan 5G. Based on identification of activities that polluted environment, that were include of the transporting FFB from estate to mill, spraying inside the estate, chemical spraying inside the estate, chemical application inside the estate and waste disposal including domestic and non-schedule waste inside the disposal area.		
	<b>Status:</b>	<b>Ok</b>

**4.5.4.2 Indicator 2:** An action plan to reduce identified significant pollutants and emissions shall be established and implemented.

Sighted the action plan had been developed by the estate to reduce the pollution effect of the estate including impact assessment and effect towards environment. The action plan was including:

- i) Inspection on lorry exhaust in Puspakom according to schedule
- ii) Monitoring on diesel usage – diesel
- iii) Monitoring on lubricant usage - vehicles being inspected by workshop regularly (servicing)
- iv) No spraying in buffer zone area
- v) Calibration on pesticide usage
- vi) Triple rinsed before disposal or reused
- vii) Collected before disposal to registered
- viii) Reused the fertilizer bags for loose fruits collection

**Status:**
**Ok**
**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:

- a) Assessment of water usage and sources of supply.
- b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
- 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.).
- 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
- e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
- f) Where bore well is being used for water supply, the level of the ground water table should be measured at least annually.

Sighted the water result analysis for the river crossing the estate which area Sg Ima Putih and Sg Pelung in which the reading recorded on both Upstream and Downstream of the estate dated 1<sup>st</sup> August 2017. Water quality monitoring had been tested and based on 6 samples taken:

Parameters	Upstream sg Ima Putih	Downstream Sg. Ima Putih	Upstream sg Pelung	Downstream Sg. Pelung	Confluent Sg Pelung and Sg Setiu	NWQS Class IIA
Ph. Value (in situ)	7.83	7.97	8.28	8.82	8.89	6-9
Dissolved Oxygen (in Situ) mg/l	7.9	6.9	6	4	3.8	5-7
Turbidity (In Situ)	8.46	31.0	101	59	33.6	50
BOD 5 at 25C	2	2	3	4	3	3
COD	6	6	6	10	16	25
TSS	16	12	75	38	26	50
Ammoniacal nitrogen	0.05	0.04	0.05	0.11	0.05	0.30
Chloride	5	4	12	12	9	200
Mercury	ND	ND	ND	ND	ND	0.001

Based on the result water analysis, sighted the water quality had been done according and the reading taken is still in permitted range accordance to the permissible limit set by National Water Quality Standards for Malaysia Class IIA.



Water usage inside the estate for domestic water consumption is by SATU (Syarikat Air Terengganu) government and domestic water consumption.		
<b>Status:</b>		<b>Ok</b>
<b>4.5.5.2 Indicator 2:</b> No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.		
Sighted based on the field verification and visits, there is no bund and weirs sighted across main river which are Sungai Ima Putih and Sungai Pelung located at PM 97 B. the water usage inside the estate is form Syarikat Air Terengganu and no Bund constructed for water harvesting.		
<b>Status:</b>		<b>Ok</b>
<b>4.5.5.3 Indicator 3:</b> 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).		
Water harvesting practices for the estate had been made by using the water management plan for year 2018 /2019.sighted the review had been done on 8 <sup>th</sup> January 2018 by Assistant manager which include:		
<ul style="list-style-type: none"> <li>i) Place – estate Setiu 01</li> <li>ii) Identification of water courses – rivers, water well, rainwater</li> <li>iii) Efficiency usage of water consumption</li> <li>iv) System usage of water courses</li> <li>v) Impact to the stakeholders and water retention</li> <li>vi) Source of problem</li> <li>vii) Action plan</li> <li>viii) Responsible person</li> </ul>		
e.g. : water pond inside the estate → record water level inside the estate (water pond) →retain water level inside the estate →weather not expected during raining / shine → Build Watergate / damp air ban		
<b>Status:</b>		<b>Ok</b>
<b>4.5.6 Criterion 6: Status of rare, threatened, or endangered species and high biodiversity value area</b>		
<b>4.5.6.1 Indicator 1:</b> 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:		
<ul style="list-style-type: none"> <li>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</li> <li>b) 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.</li> </ul>		
Sighted the record and information that has been collated in both planted area and wider landscape level. Sighted the identification of high biodiversity value habitats such as RTE being recorded in record monitoring of wildlife and sensitive area. There is a record dated 16 <sup>th</sup> June 2017 regarding the wild boar at PR 18 R Blok 15 which include person in charge Mr. Zainuddin. there is also a clear procedure of recording RTE and wildlife at the area which w		
<b>Status:</b>		<b>Ok</b>
<b>4.5.6.2 Indicator 2:</b> If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:		
<ul style="list-style-type: none"> <li>a) Ensuring that any legal requirements relating to the protection of the species are met.</li> <li>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.</li> </ul>		
Based on documents verifications its known if there is No HCVs and RTEs identified in the biodiversity report. Based on field observations and interview with stakeholder no evidence of HCVs and RTEs observed. Ongoing monitoring record for wild life and sensitive area observed for year 2017. Based on the record observed at estate Setiu 01, the management unit had done the training for the staff and workers including the management plan. Sighted the record of fauna identification and sensitive area for 2018 that include date and time → area and block / type of Fauna → identification of sensitive aspect → evidence of fauna present → notes → name of workers.		
<b>Status:</b>		<b>Ok</b>

<b>4.5.6.3 Indicator 3:</b> A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.		
Yes. The management plan has been made in report on HCV in Ladang FGVP Setiu 01 updated by Mr. Amir Hamzah Dollah on 14 <sup>th</sup> May 2018 in which the management plan had made into existence HCV in Ladang Setiu 01. Sighted the area that been categorizes into HCV 1 -6 and the area biodiversity hotspots in FGVP Setiu 01-including the description of hotspot that has been found .		
<b>Status:</b>		<b>Ok</b>
<b>4.5.7 Criterion 7: Zero burning practices</b>		
<b>4.5.7.1 Indicator 1:</b> 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.		
Sighted the fire waste disposal for preparing land for oil palm cultivation or replanting is not sighted. sighted the circular letter to all manager of FGVP, FASSB, FTPSB and Felda Manager regarding no open burning in estate and mill. Sighted the letter had been signed and circulated by Mr. Abdul Hani Mohd Ali – as Pengarah Besar Felda and the letter also been circulated to Pengurus Besar Unit Tanam Semula FELDA.		
Prohibition open burning policy observed for FGV with endorsement from President, Mr. Mohammed Emir Mavani dated 1/6/2014 which stated “Polisi Larangan Pembakaran Terbuka” – in line with the practice of mini-plantation system practices and to comply with section 29A, environmental quality act 1974, open burning prohibition, no officer or worker of the FGV or the contractor working on the FGV premises may permit or cause open combustion either during the recycling work , domestic garbage burning at garbage disposal sites, Office areas, Worker placement areas and workers of any open space on premises ”.		
<b>Status:</b>		<b>Ok</b>
<b>4.5.7.2 Indicator 2:</b> 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.		
Sighted there is no approval regarding the previous crop that highly disease by relevant authorities that required for replanting. Based on the interview and record of field visit, no disease spread in the estate prior the replanting process.		
<b>Status:</b>		<b>Ok</b>
<b>4.5.7.3 Indicator 3:</b> 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.		
No Open burning sighted at the estate of FGV Chalok. sighted the record of replanting for 2018 PR 18 R (189.42 HA) and PR 18 S (220.31 Ha) for Setiu 01 estate that include:		
<ul style="list-style-type: none"> <li>i) Mowing and chipping frond</li> <li>ii) Terracing</li> <li>iii) Road building</li> <li>iv) Spraying</li> <li>v) Harvesting of FFB</li> </ul>		
<b>Status:</b>		<b>Ok</b>
<b>4.5.7.4 Indicator 4:</b> Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.		
Sighted based on the record and field verification, there are available contract of replanting to Kim Foong Construction, contract number 5300002809 including the price record and date of planning completed. The crops had been replanting according to the best practice of the estate which are , felling, chipping, mowed down, shredded , windrowed , pulverized , ploughed and mulched.		
<b>Status:</b>		<b>Ok</b>

<b>4.6 PRINCIPLE 6: BEST PRACTICES</b>		
<b>4.6.1 Criterion 1: Site management</b>		
<b>4.6.1.1 Indicator 1:</b> Standard operating procedures shall be appropriately documented and consistently implemented and monitored.		
Felda Global Ventures Plantations Berhad developed a list of safe working procedure (management of safety and health estate workers) in document number FGVPM/L3/PK-01 until FGVPM /L3 /PK -54 that comprise company standards SOP such as machinery working safe procedure, procedure of palm oil nursery, procedure for working in the field of FFB harvesting and work procedure securely loading up FFB into lorry. Based on the document observation, all the procedure had been made into "Manual Prosedur Kerja Selamat" of FGVPM and being distributed to all estates.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.1.2 Indicator 2:</b> 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.		
Oil Palm grown with permitted levels, based on the map sighted, there is no planting on sloping land less than 25 degrees. Sighted the replanting area with terracing and cover crop for the area.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.1.3 Indicator 3:</b> A visual identification or reference system shall be established for each field		
Based on field visit, it is known that the company has applied fertilizer with type of NKC 1 with the dosage according to recommendation (1.5 Kg/tree). In the replanting area of Block PM 00G, it is known that the company has applied organic fertilization using EFB and also planting land cover by using <i>Muccuna Bracteates</i> . In the replanting area, it is known that the oil palm trunk is collected between the terraces with aimed that trunks can be decompose and become nutrient additions for soil, last replanting on 2014.		
<b>Status :</b>		<b>Ok</b>
<b>4.6.2 Criterion 2: Economic and financial viability plan</b>		
<b>4.6.2.1 Indicator 1:</b> A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.		
Sighted the summary budget for the estate 3 years onwards from 2019- 2021 which include all the expenses that includes of spaying activities, manuring activities, control of pesticide and disease, field drain management, road and bridge maintenance, soil and water maintenance, tools on estate maintenance, palm sanitation / census, electric fencing, boundary marking, scout harvesting, FFB collection → Buruh/ pembantu/ pengangkutan/ penyeliaan and etc.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.2.2 Indicator 2:</b> 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.		
Sighted the replanting record for FGV Setiu 1 for year 2013- 2018. As per documentation of replanting Setiu 01 2018 – hectareage 182.42 Ha. Sighted the area had been divided into 2 stages which early preparation and maintenance which comprises of pre lining, felling and chipping, terrace preparation, palm planting and legume cover crop planting. The maintenance covers such as manuring, spraying, road and bridge, fencing and remapping + additional replanting .		
<b>Status:</b>		<b>Ok</b>
<b>4.6.2.3 Indicator 3:</b> The business or management plan may contain:		
<ul style="list-style-type: none"> <li>a) Attention to quality of planting materials and FFB.</li> <li>b) Crop projection: site yield potential, age profile, FFB yield trends.</li> <li>c) Cost of production: cost per tonne of FFB.</li> <li>d) Price forecast.</li> <li>e) Financial indicators: cost benefit, discounted cash flow, return on investment</li> </ul>		
FGV Setiu 01 had made long term work plan for five years (2018 – 2022). It consists estimation data of FFB projection, prices per ton, revenue, operating cost, total cost and profit. The document also equipped with 10 years' production backward, hectare statement, yield, OER/KER and CPO/PK projection. Based on interview with estate manager known there is no land expansion plan for Setiu 01 estate.		
<b>Status:</b>		<b>Ok</b>

<b>4.6.2.4 Indicator 4:</b> The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.		
A monthly tracking record for monitoring of the actual against the budget and variance for all estates to be reporting at the monthly estate manager meetings. Annual review is done by way of presentation from Manager to regional Manager and Ketua Zon which is done every year during budget preparation for next year. The estate can show proof of presentation conducted in January 2017 for the preparation of budget year 2017/18 to monitor the yield, quality, production cost and return of investment.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.3 Criterion 3: Transparent and fair price dealing</b>		
<b>4.6.3.1 Indicator 1:</b> Pricing mechanisms for the products and other services shall be documented and effectively implemented.		
The Estate does not buy the FFB, the pricing mechanisms for FFB has been available in the Chalok Mill. For other pricing mechanism for example pricing for replanting contractor has include in the contract agreement that has been sign by both side.		
<b>Status: Comply</b>		<b>Ok</b>
<b>4.6.3.2 Indicator 2:</b> All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.		
The estate shows the document "Surat Perintah Kerja" which describes the type of work, the amount, the price, the payment method until the deadline of the work, for example SPK with BHMA Enterprise (No. 5300002855 dated 01 March 2017), there are 5 types of estate maintenance work for a total cost of RM 98,900 with a deadline of 28 February 2018 and has been signed by the Executive Board of Kuantan District FGVP and BHMA Enterprise representatives. It is shown that the contract has been made with fairly, transparent and agreed.		
<b>Status: Comply</b>		<b>Ok</b>
<b>4.6.4 Criterion 4: Contractor</b>		
<b>4.6.4.1 Indicator 1:</b> Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.		
The FGV Chalok Complex (including Setiu-01 Estate) has conducted stakeholders meeting including the contractors on 18 June 2018 which explaining about all policy in the Estate including MSPO Policy and MSPO requirement.		
<b>Status: Comply</b>		<b>Ok</b>
<b>4.6.4.2 Indicator 2:</b> The management shall provide evidence of agreed contracts with the contractor.		
The estate shows the document "Surat Perintah Kerja" which describes the type of work, the amount, the price, the payment method until the deadline of the work, for example SPK with BHMA Enterprise (No. 5300002855 dated 01 March 2017), there are 5 types of estate maintenance work for a total cost of RM 98,900 with a deadline of 28 February 2018 and has been signed by the Executive Board of Kuantan District FGVP and BHMA Enterprise representatives. It is shown that the contract has been made with fairly, transparent and agreed.		
<b>Status: Comply</b>		<b>Ok</b>
<b>4.6.4.3 Indicator 3:</b> The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.		
The estates were audited by MUTU MSPO auditors with full cooperation from the management units. Sighted audit plan which have been accepted by the Sustainability Manager. All the auditors are MSPO qualified auditors. As agreed, the respective operating units will accept the MUTU MSPO Auditors to verify through a physical inspection if required.		
<b>Status: Comply</b>		<b>Ok</b>
<b>4.6.4.4 Indicator 4:</b> 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.		
Estate shows document of "Laporan Prestasi Kontraktor" used to perform assessments for contractor performance with criteria such as the readiness of labor, facilities and infrastructure, compliance with work orders, compliance with safety and health regulations and timeliness. The Estate shows an example of an assessment to the Contractor on behalf of BHMA Enterprise made on 31 January 2018 with Best results.		
<b>Status: Comply</b>		<b>Ok</b>

<b>4.7 PRINCIPLE 7: DEVELOPMENT OF NEW PLANTINGS</b>		
<b>4.7.1 Criterion 1: High biodiversity value</b>		
<b>4.7.1.1 Indicator 1:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.1.2 Indicator 2:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.2 Criterion 2: Peat land</b>		
<b>4.7.2.1 Indicator 1:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.3 Criterion 3: Social and Environmental Impact Assessment (SEIA)</b>		
<b>4.7.3.1 Indicator 1:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.3.2 Indicator 2:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.3.3 Indicator 3:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.3.4 Indicator 4:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.4 Criterion 4: Soil and topographic information</b>		
<b>4.7.4.1 Indicator 1:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.4.2 Indicator 2:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.5 Criterion 5: Planting on steep terrain, marginal and fragile soils</b>		
<b>4.7.5.1 Indicator 1:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>



<b>4.7.5.2 Indicator 2:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.5.3 Indicator 3:</b> Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.		
No new planting sighted for this operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6 Criterion 6: Customary land</b>		
<b>4.7.6.1 Indicator 1:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.2 Indicator 2:</b> Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.		
No new planting sighted for this operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.3 Indicator 3:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.4 Indicator 4:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.5 Indicator 5:</b> Identification and assessment of legal and recognised customary rights shall be documented.		
No new planting sighted for this operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.6 Indicator 6:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.7 Indicator 7:</b> The process and outcome of any compensation claims shall be documented and made publicly available.		
No new planting sighted for this operating unit.		
	<b>Status:</b>	<b>NA</b>
<b>4.7.6.8 Indicator 8:</b> 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 operating unit.		
	<b>Status:</b>	<b>NA</b>

### 3.2 Identification of findings, Corrective actions, observations, opportunity for improvement and noteworthy positive components.

#### 3.2.1 Noteworthy Positive Components at Stage-2

No	Description
1	Stakeholder interview revealed the estate management has always co-operative and responsive with surrounding communities.
2	Pesticide and premix stores are well constructed and effectively managed by the respective PIC.
3	Basic amenities for foreign workers seen well allocated and continuously monitor for improvement and refurbishment.

#### 3.2.2 Identification of Non-conformity at Stage-2 – Zero (0) major and six (2) minor non-conformities were raised.

NCR No.	:	MSPO/KKS setiu-01/18-P3	Issued by	:	Mahas
Date Issued	:	19/07/2018	Time Limit	:	1 year
NC Grade	:	Minor	Date of Closing	:	Before next ASA
Standard Ref. & Requirement	:	4.3.2.3 Indicator 3: Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.			
Non-Conformance Description& Evidence observed: Field visit to Block 32 [next to reserve forest], Block 37 [Felcra Security Post], Block 14 [next to Kg. Ulu Seladang], Block 12 [next to Kg. Besut] and Block 40 [near to main road] seen the boundary markers are well maintained. GPS co-ordination of every boundary well input in the estate map stored in smartphone. Some of the sampled boundary markers were seen not visible as wild grasses grown excessively. The boundary poles are not able to correspond to GPS coordinates in the estate boundary map. There are insufficient records to evidence on why there was no action taken on the missing boundary markers after annual census exercise.					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	WILL BE VERIFIED ON THE NEXT ASSESSMENT			

NCR No.	:	MSPO/KKS setiu-02/18-P3	Issued by	:	Ebnu
Date Issued	:	19/07/2018	Time Limit	:	1 year
NC Grade	:	Minor	Date of Closing	:	Before next ASA
Standard Ref. & Requirement	:	4.5.3.1 Indicator 1: All waste products and sources of pollution shall be identified and documented			
<b>Non-Conformance Description&amp; Evidence observed:</b> Waste products and sources pollution has not been fully identified and documented. It was found that sampled estates were not effectively identified the source of pollutions from the contractor operations and below are the evidences collected by audit team during site and/or field visits at tractor parking / tractor pool and office area comprising: iv) Spent Lubricant Containers and spent hydraulic containers v) Contaminated soil with lubricant and diesel vi) Spent Acid Plumbum batteries vii) Washing lorries activities					
<b>Root Cause Analysis:</b>					
<b>Corrective Action:</b>					
<b>Preventive Action:</b>					
<b>Assessor Evaluation and Conclusion:</b>					
Verified by	:	WILL BE VERIFIED ON THE NEXT ASSESSMENT			

### 3.2.3 Opportunity for Improvement (OFI)

No	Ref Std.	Descriptions
1	4.1.3.1	The next management review meeting to include agendas such the decision on any changes, modification, continuous improvement plan and timeline for the establishment, implementation and maintenance of MSPO scheme.
2	4.3.1.1	MPOB License – 5599862000, expires on 31/03/19 [2560.23 Ha but planted area is 2395.82 Ha]
3	4.3.2.1	Based on the area statement, total title area is 3104.26 Ha and the planted area is 2395.82. Found there is a discrepancy as below which to be sort it prior to certification decision and will have a significant impact on the proposed development of unplanted area covered about 108.10 Ha into oil palm plantation: <ul style="list-style-type: none"> <li>• Pemberian Hakmilik Tanah letter dated 18/04/11 from Land Department – 3050.49 Ha</li> <li>• Pengesahan Hakmilik dated 04/08/14 from Unit Tanah FGVP – 3091.85 Ha</li> <li>• Estate's Hectareage Statement – 3104.26 Ha</li> </ul>
4	4.4.6.2	Consideration to improve the effectiveness of training regarding to spent pesticide containers

### 3.3 Summary of Arising Issues from Public, Management, and Auditor Response

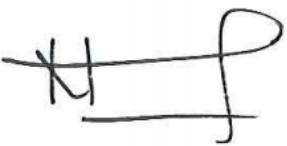

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p><b>Contractors of FFB Transport – Koperasi Felda Chalok Rahmat</b></p> <p>A local contractor had been interviewed during the audit. He had been contract with the FGV estate for ten years and as far from the interview, the payment method,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

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Responses</b>
<b>Representative from Kg Besut (local people)</b> Representative from Nearby village had attended the meeting. Based on the interview, the local people had expressed the satisfaction regarding the management of estate Setiu 01 handling the local people from the village. Based on the interview, no problem happen between the estate and nearby village.	No issues raised. FGV Setiu 01 will continue the cooperation with local people whenever needed.

### 3.4 Summary of findings and Recommendation

<b>MAJOR</b>	<b>MINOR</b>	<b>O F I</b>
<b>0</b>	<b>2</b>	<b>4</b>
<b>Recommendation of Certification:</b>  Due to No Major Non- Conformity finding, therefore Chalok Complex [estates] is <b><u>RECOMMENDED</u></b> for MSPO Part 3 certification.		



4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>Company Name Management Representative</p>  <p><b><u>Norazam Abdul Hameed</u></b> 19/07/2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Mahaswaran Maliyapan</u></b> 19/07/2018</p> </div> </div>

**Appendix 1. Glossary**

MSPO	:	Malaysian Sustainable Palm Oil
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
CLC	:	Child Learning Centre
CSA	:	Conservation Site Area
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
EQMS	:	Environment Quality Management System
FY	:	Financial Year
FPIC	:	Free Prior and Informed Consent
GHG	:	Green House Gases
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
LCC	:	Legium Cover Crop
LOTO	:	Log Out and Take Out
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
NUPW	:	National Union Plantation Workers
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
OHSA	:	Occupational Health and Safety Assessment
OER	:	Oil extraction Rate
PANAP	:	Pesticide Action Network Asia and the Pacific
PK	:	Palm Kernel

PPE	:	Personal Protective Equipment
POME	:	Palm Oil Mill Effluent
POM	:	Palm Oil Mill
PSQM	:	Plantation Services Quality Management
PSS	:	Pictorial Safety Standard
RSPO	:	RoundTable on Sustainable on Palm Oil
RTE	:	Rare, Threatened, or Endangered
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
SOM	:	Standard Operation Manual
SPMS	:	Sustainable Plantation Management System
SOCISO	:	Social Security Organization
SW	:	Schedule Waste
TQEM	:	Total Quality Environmental Management
WTP	:	Water Treatment Plan