

*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 Tembangau 3, FGVPM Tembangau 5, FGVPM Tembangau 6, FGVPM Tembangau 7, FGVPM Tembangau 8, FGVPM Tembangau 9, FGVPM Serting Hilir 9 and FASSB Serting Hilir.

Location : As per in table 1.3.

Certificate Code : MUTU-MSPO/016

Date of certificate issue : 18/09/2018

Date of expiry of certificate : 17/09/2023

Assessment	Assessment Date	Mutuagung Lestari Malaysia Auditor	Review by	Approve by
Main/ST-2	05 <sup>th</sup> – 08 <sup>th</sup> June 2018	Mahaswaran (Lead Auditor), Ebnu Holdoon Shawal [Auditor] Hairimi Mohd Ali [Auditor]	Ganapathy Ramasamy / Peter	Hari Naveen Christopher

Assessment	Approved by MUTUAGUNG LESTARI MALAYSIA SDN BHD on:
Main/ST-2	18/09/18

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Figure 1. Operational Map of FGVP M Tembangau 3

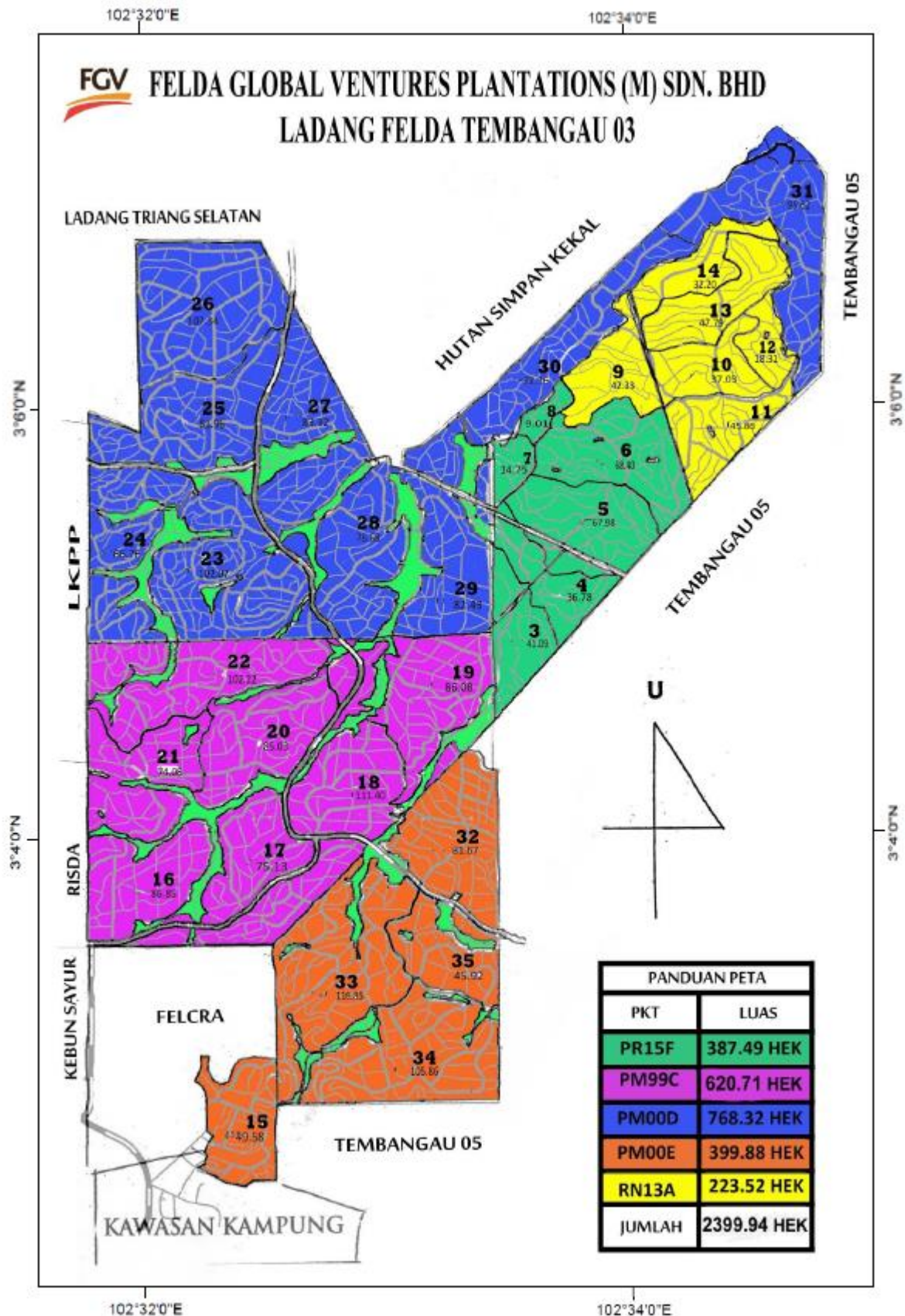


Figure 2. Operational Map of Tembangau 5

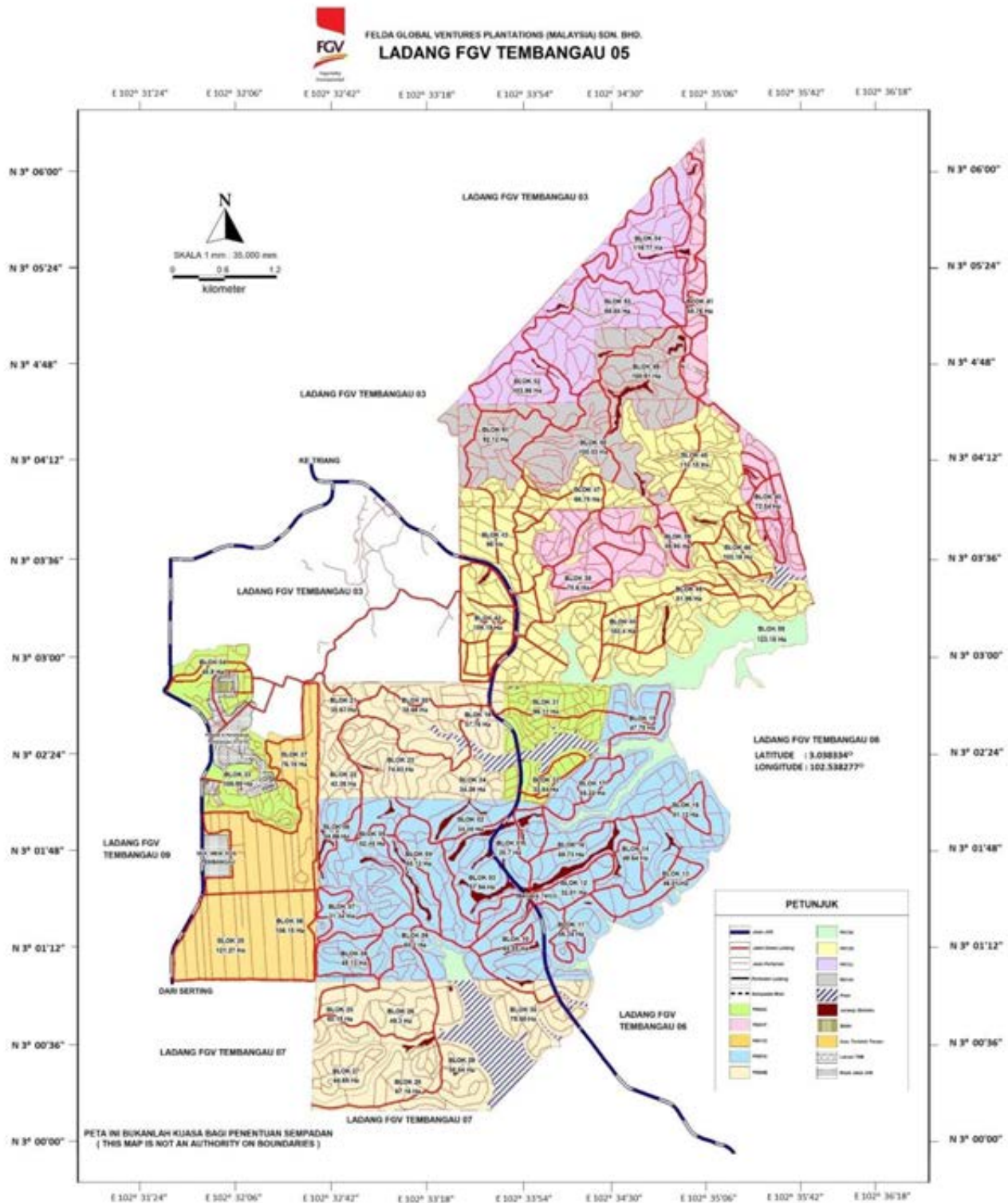




Figure 3. Operational Map of Tembangau 6

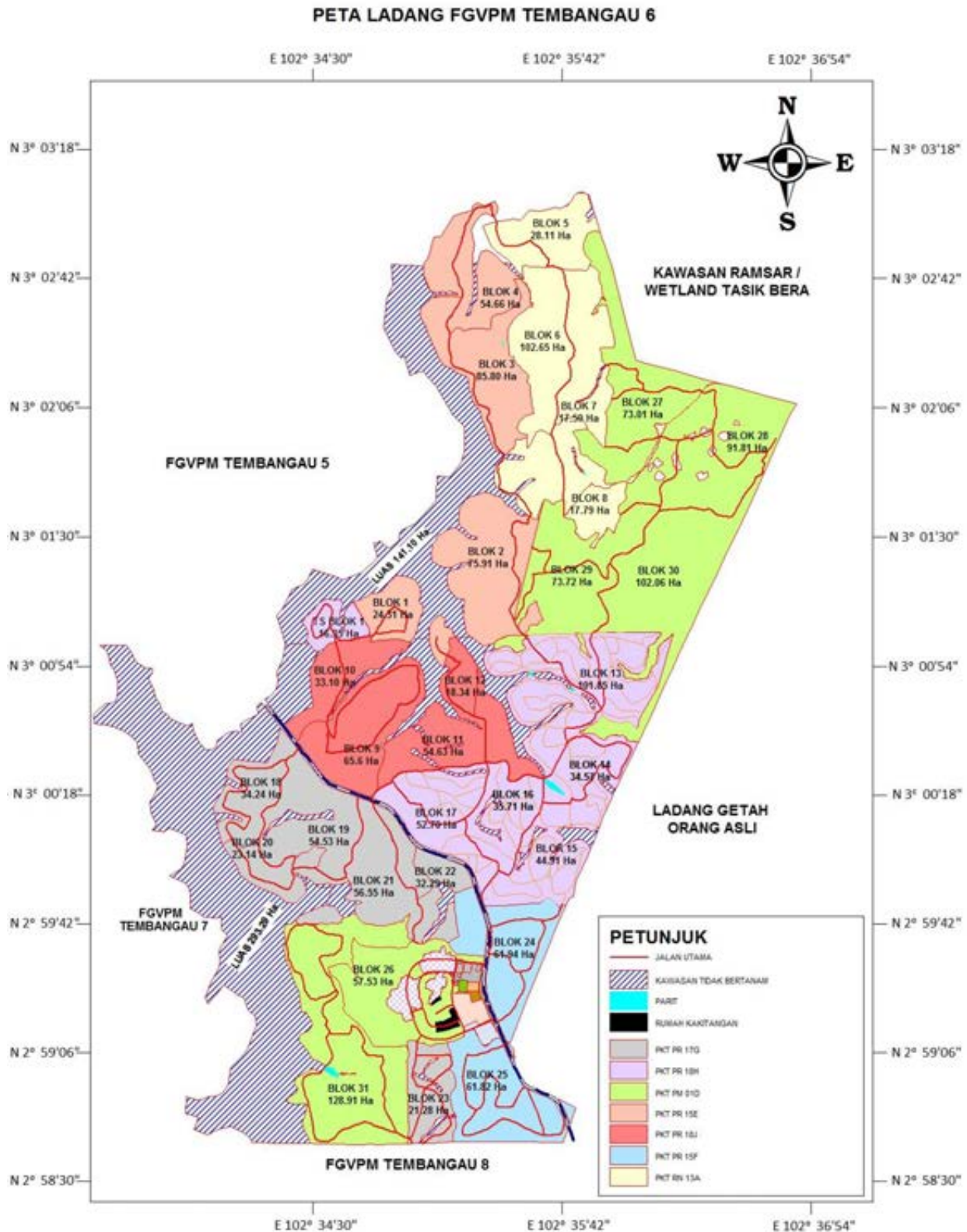


Figure 4. Operational Map of Tembangau 7

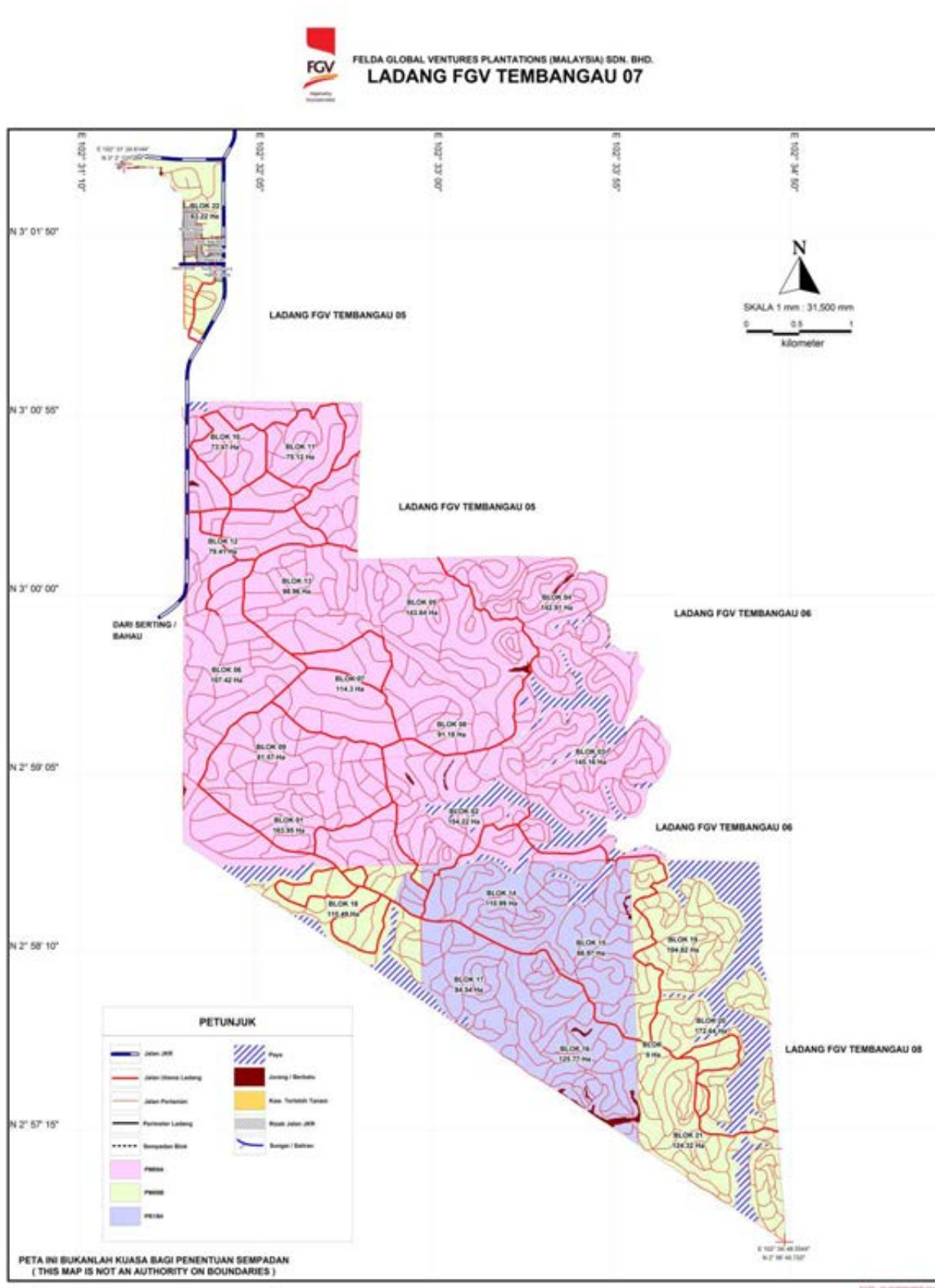


Figure 5. Operational Map of Tembangau 8

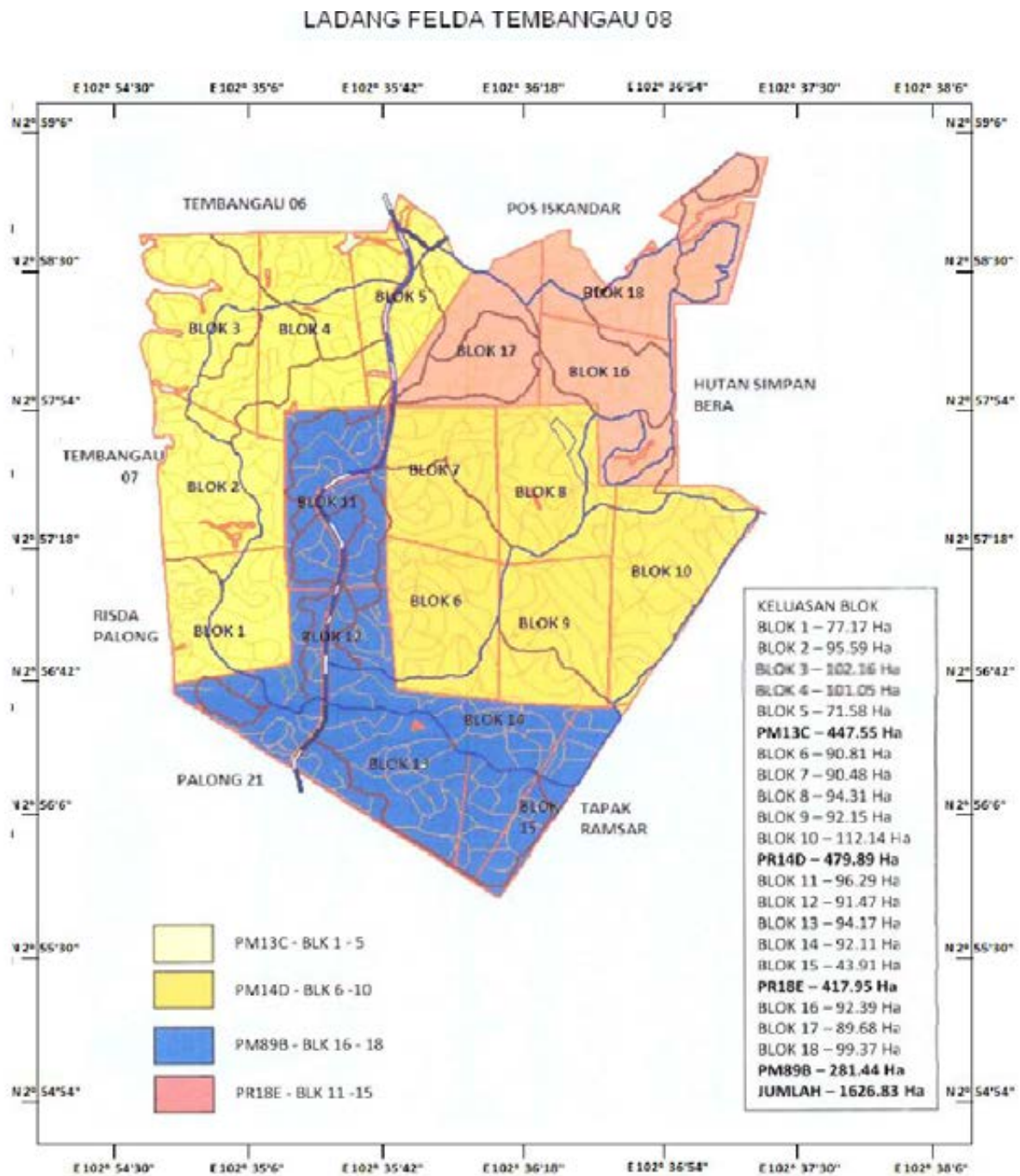
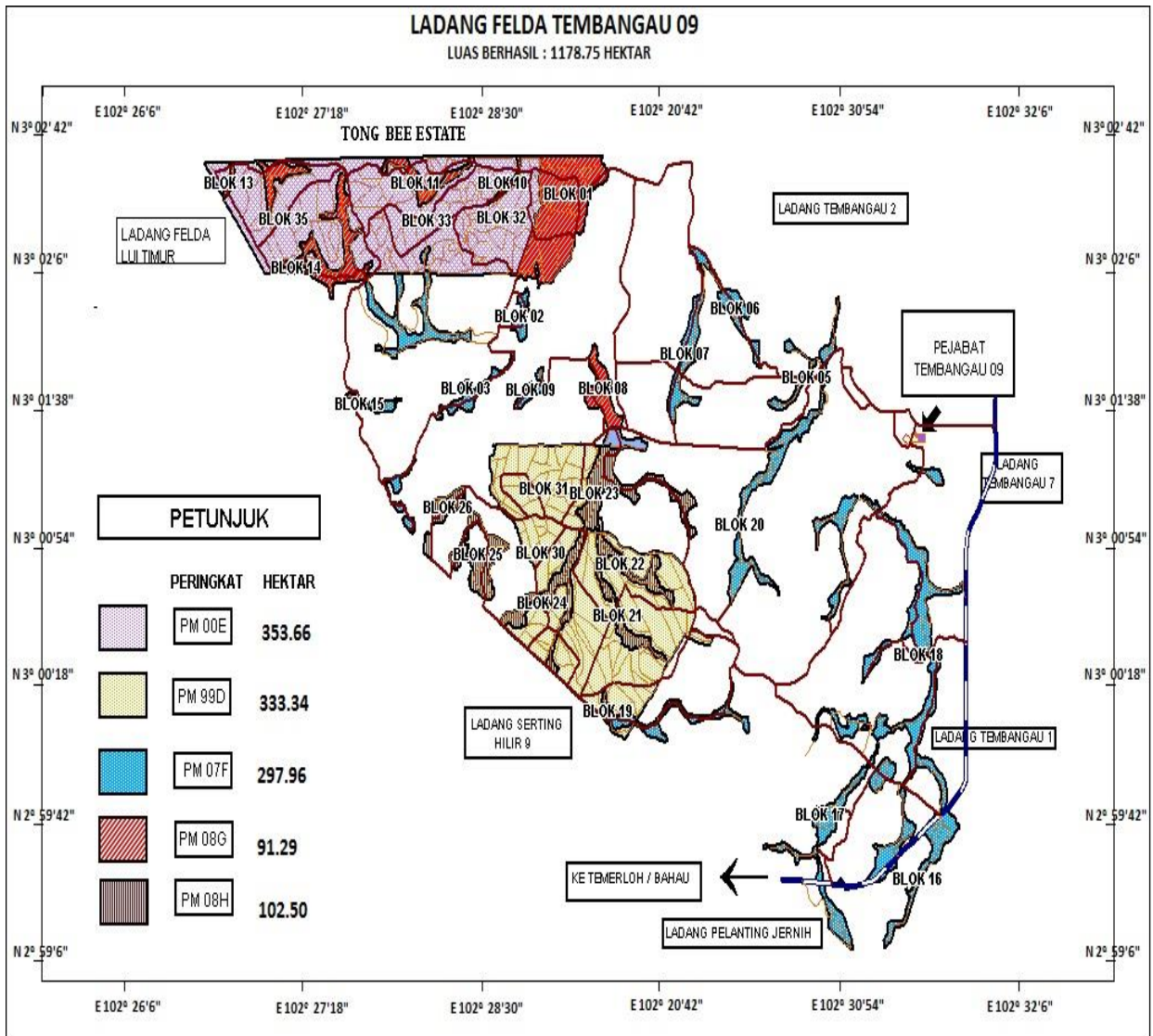




Figure 6. Operational Map of Tembangau 9







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 Tembangau 3</td><td>Ladang Felda Tembangau 03, 28380 Kemayan, Pahang Darul Makmur</td><td>3° 2'33" N</td><td>102° 32'2" E</td></tr><tr><td>FGVPM Tembangau 5</td><td>Ladang Felda Tembangau 05, 28380 Kemayan, Pahang Darul Makmur</td><td>3° 2'14" N</td><td>102° 32'20" E</td></tr><tr><td>FGVPM Tembangau 6</td><td>Ladang Felda Tembangau 06, 28380 Kemayan, Pahang Darul Makmur</td><td>2° 59'23" N</td><td>102° 35'17" E</td></tr><tr><td>FGVPM Tembangau 7</td><td>Ladang Felda Tembangau 07, 28380 Kemayan, Pahang Darul Makmur</td><td>3° 1'43" N</td><td>102° 31'53" E</td></tr><tr><td>FGVPM Tembangau 8</td><td>Ladang Felda Tembangau 08, 28380 Kemayan, Pahang Darul Makmur</td><td>2° 59'20" N</td><td>102° 35'17" E</td></tr><tr><td>FGVPM Tembangau 9</td><td>Ladang Felda Tembangau 09, 28380 Kemayan, Pahang Darul Makmur</td><td>3° 1'38" N</td><td>102° 31'20" E</td></tr><tr><td>FGVPM Serting Hilir 9</td><td>Ladang Felda Serting Hilir 09, 72120 Sri Jempol, Negeri Sembilan Darul Khusus</td><td>2° 56'43" N</td><td>102° 29'56" E</td></tr><tr><td>FASSB Serting Hilir</td><td>Stesen FASSB Serting Hilir, 72120 Jempol, Negeri Sembilan</td><td>2° 56'50" N</td><td>102° 29'20" E</td></tr></table>			Name of Supply Base	Location	Coordinate		Latitude	Longitude	FGVPM Tembangau 3	Ladang Felda Tembangau 03, 28380 Kemayan, Pahang Darul Makmur	3° 2'33" N	102° 32'2" E	FGVPM Tembangau 5	Ladang Felda Tembangau 05, 28380 Kemayan, Pahang Darul Makmur	3° 2'14" N	102° 32'20" E	FGVPM Tembangau 6	Ladang Felda Tembangau 06, 28380 Kemayan, Pahang Darul Makmur	2° 59'23" N	102° 35'17" E	FGVPM Tembangau 7	Ladang Felda Tembangau 07, 28380 Kemayan, Pahang Darul Makmur	3° 1'43" N	102° 31'53" E	FGVPM Tembangau 8	Ladang Felda Tembangau 08, 28380 Kemayan, Pahang Darul Makmur	2° 59'20" N	102° 35'17" E	FGVPM Tembangau 9	Ladang Felda Tembangau 09, 28380 Kemayan, Pahang Darul Makmur	3° 1'38" N	102° 31'20" E	FGVPM Serting Hilir 9	Ladang Felda Serting Hilir 09, 72120 Sri Jempol, Negeri Sembilan Darul Khusus	2° 56'43" N	102° 29'56" E	FASSB Serting Hilir	Stesen FASSB Serting Hilir, 72120 Jempol, Negeri Sembilan	2° 56'50" N	102° 29'20" E
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Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
					FFB (tonnes/year)	%
FGVPM Tembangau 3	2,624.49	2,428.04	44,523	20	35,168.89	100
FGVPM Tembangau 5	3,790.42	3,301.33	31,876	18	31,875.62	100
FGVPM Tembangau 6	2,410.65	1,737.32	11,409	16	5,751.94	40
FGVPM Tembangau 7	2,460.34	2,186.49	15,418	21	15,417.72	100
FGVPM Tembangau 8	1,754.00	1,626.83	8,107	20	8,107.41	100
FGVPM Tembangau 9	1,259.14	1,178.75	24,667	18	24,667.38	100
FGVPM Seriting Hilir 9	1,994.00	1,779.62	19,118	20	19,117.71	100
FASSB Seriting Hilir	316.72	300.72	3,673	19	3,673.37	100
<b>TOTAL</b>	<b>16,609.76</b>	<b>14,539.10</b>	<b>158,792</b>		<b>143,780</b>	<b>-</b>

\*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

2.0	ASSESSMENT PROCESS
2.1	Certification Body
	Mutuagung Lestari Malaysia Sdn Bhd. B-0926 Empire Soho, Empire Shopping Gallery, Jalan SS 16/1 Subang Jaya, 47500 Petaling Jaya, Selangor, Malaysia Website: <a href="http://www.mutucertification.com">www.mutucertification.com</a> Email: <a href="mailto:hari@mutucertification.com">hari@mutucertification.com</a>



2.2	Assessment Team
Main / ST-2	<p>Mahaswaran Maliyapan (Lead Auditor) Malaysian. 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>Ebnu Holdoon Shawal (Auditor) Malaysian. 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>Mohd. Hairimi Mohd Ali. Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honors (Geography). Registered as assistant consultant on Social Impact Assessment with DOE Malaysia AC 1105, and certified on CESSWI 3756 (Certified Erosion Sediment and Storm Water Inspector). He was involved for past 5 years in environment auditing and in Social and Environmental Impact Assessment Report (EIA and SIA).</p>
2.3	Assessment Methodology, Assessment Process and Locations of Assessment
2.3.1	Figure of person days to implement assessment
Main / ST-2	<p>Number of auditors: 3 auditors</p> <p>Number of days for Main/Stage-2 at site: 3 days</p> <p>Number of working days for Main/Stage-2 at site: 9 Working days</p>

2.3.2	Detail process of assessment
Main / ST-2	<p>Mutuagung Lestari Malaysia Sdn. Bhd. [thereafter known as MUTU] has conducted on-site Certification Assessment for Serting Hilir [Estates] from 23<sup>rd</sup> – 25<sup>th</sup> May 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 Serting Hilir Complex's readiness for the Stage 2 audit was done on 02-05/05/18 by Trismadi Nurbayuto (Lead Auditor) and Andi Prathama Pasaribu (Auditor) resulted with 3 findings. The client has responded with appropriate corrective actions prior to stage 2 audit.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase. All information obtained was recorded in Check List of MUTU. It was witnessed, the estate was having full operation during the scheduled time of visit. This allows the audit team start from the planning and then walk through the field operation process which eliminates the risk of missing certain key aspects. – the audit plan attached to this report as an appendix.</p>
2.3.3	Locations of Assessment
MAIN / ST-2	<p>Total estates (8): FGVPM Tembangau 3, FGVPM Tembangau 5, FGVPM Tembangau 6, FGVPM Tembangau 7, FGVPM Tembangau 8, FGVPM Tembangau 9, FGVPM Serting Hilir 9 and FASSB Serting Hilir.</p> <p>Sampled estates (3): FGVPM Tembangau 3, FGVPM Tembangau 7, FGVPM Tembangau 8</p>

2.4	Stakeholder Consultation
2.4.1	Summary of stakeholder consultation process.
MAIN / ST-2	<p>Consultation of stakeholders for Serting POM, FGVP(M) 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> on April 16<sup>th</sup>, 2018.</li> <li>Public consultation by interview with Policeman from Balai Polis Ladang Geddes on May 24<sup>th</sup>, 2018.</li> </ol> <p>Consultation meeting and interview with Internal Stakeholder (Gender committee, FFB Contractor, &amp; FGV Foreign Workers Representative) on May 24<sup>th</sup>, 2018.</p> <ol style="list-style-type: none"> <li>Consultation with NGO (Suhakam-National Human Rights Society, NUPW –National Union of Plantation Worker, Traffic - the wildlife trade monitoring network, &amp; Malaysian Environmental NGOs – MENO) via email on May 14<sup>th</sup>, 2018.</li> </ol> <p>Numbers of input from stakeholders were clarified by Serting POM, FGVP (M).</p>
2.5	Determining Next Assessment
	The next visit of ASA 1 will be determined one year after this Main / ST-2.

### 3.0. ASSESSMENT RESULT

#### 3.1. Summary of Assessment Report of the MSPO Certification

MUTU has conducted the main / ST-2 assessment of Serting Hilir Complex [Estates] – FGVP operation consisting of four (8) estates. During this assessment, one (1) Major non-conformity, six (6) 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 Serting Hilir [Estates] – FGVP 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 Major non-conformity closed with objective evidences, therefore the lead auditor recommends Serting Hilir [Estates] for compliance with the Malaysian Sustainable Palm Oil Certification MSPO – Part 3 (General Principal for Oil Palm Plantations and Organized Smallholders.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
4.1 PRINCIPLE 1 MANAGEMENT COMMITMENT AND RESPONSIBILITY		
4.1.1 Malaysian sustainable palm oil (MSPO) policy		
4.1.1.1		
Indicator 1: A policy for the implementation of MSPO shall be established.		
<p>A corporate MSPO Policy seen dated on 02/05/2018 was approved Dato' Zakaria Arshad, the Group President/CEO of FGV Holding Berhad. This policy is 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. Sighted in FGVPM Tembangau 08, the workers and staff are being regularly briefed on Group Sustainability Policies during daily morning muster call and weekly meeting, sampled for 24/03/18. Interview with estate asst. manager at FGVPM Tembangau 03, who mentioned the sustainability policies are normally brief during morning muster call and it was cross verified with training records found satisfactory. In FGVPM Tembangau 07, seen on 05/04/18, a briefing session was conducted by Mr. Amir, the estate manager on all 16 sustainability policies.</p> <p>The newly developed Group policy on MSPO should be communicated to internal and external stakeholders as part of implementation process prior to this audit as sighted no evidences the policy been circulated nor communicated to estate management. Aside, briefing the other sustainability policies to workers during muster call to be evidence with attachments of what are the policies been briefed and how does the presenter ensure the workers understand the content of policies.</p> <p>Currently there are 16 sustainability policies which were approved by Mr. Mohammed Emir Mavani Abdullah in 2014. It must be demonstrable on whether the current President &amp; CEO of FGV has reviewed the adequacy of the policies as sampled <b>policy for child labour "Polisi Pekerjaan Kanak-Kanak" which allows children to help in their family own farm, which contradict with audit findings that FGV only employs foreign or local workers whom above 18 years old for their estate operation.</b></p>		
	Status:	Minor
4.1.1.2		
Indicator 2: The policy shall also emphasize commitment to continual improvement.		
<p>In all the sampled estates, sighted 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, awareness on worker's contract agreement, effective spraying techniques and etc.</p>		
	Status:	Ok
4.1.2 Criterion 2: Internal audit:		
4.1.2.1		
Indicator 1: Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.		
<p>In FGVPM Tembangau 08, seen the annual internal audit dated on 18/04/18 covers requirements needed by the MSPO scheme and estate best practices. There were few weak points found such as no OHS safety committee meeting minutes, HCV monitoring records, records of non-renewable energy consumption, etc. There were 28 major and 20 Minor non-conformities raised by 3 auditors [Nurul Hayati, Yaslam and Hilmie]. In FGVPM Tembangau 03, sighted the internal audit was done 19/03/18 by team from PSD [Muhd. Yusuf, Zulfadzli, Rahman]. There was 18 major and 9 minor non-conformities issued. The no-conformities were resulted from low awareness, not follow-up of an issue and documentation &amp; records as evidence of compliances. In FGVPM Tembangau 07, sighted the internal audit was done 14/03/18 by team from PSD [Muhd. Yusuf, Zulfadzli, Yaslam]. There was 19 major and 14 minor non-conformities issued.</p>		
	Status:	Ok



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.		
In all the sampled estates, seen the 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. <b>Seen the estates sampled maintained the “Pelan Tindakan Untuk NCR Internal Audit”</b> which identifies the non-conformities addressed with action taken within 2 weeks to 1 month.		
	Status:	Ok
4.1.2.3		
Indicator 3: Report shall be made available to the management for their review.		
The findings from internal audit at FGVPM Tembangau 08 was responded by the estate management during the Management Review Meeting dated on 30/05/17 for the period Jan-Dec 2016. Since the MSPO kick started in 2017, therefore the findings resulted from internal audit was not captured. In FGVPM Tembangau 03, the findings were uploaded in the Compliance Monitoring System as part of communication and review done on 18/04/18. Found in FGVPM Tembangau 07, the estate staff seen actively corresponded with PSD team in addressing the corrective actions. Sighted the email communication. The progress of the corrective actions was also discussed in the management review dated on 17/05/18.		
	Status:	Ok
4.1.3 Criterion 3: Management review		
4.1.3.1		
Indicator 1: The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.		
In FGVPM Tembangau 08, the <b>management review meeting was done on 15/03/18 at estate's office chaired by estate manager</b> . The minutes seen included of review on OHS, process performance, external audit performance, the decision on any changes, improvement, etc. Management review for FGVPM Tembangau 03 was done on 18/04/18. Various issues were discussed such as findings and respond of internal audit, FFB production, environmental issues and OHS. In FGVPM Tembangau 03, management review dated 17/05/18. There main topics were discussed as OSH, environment and social.		
<u>Observation:</u> The next meeting to include agendas such the decision on any changes, modification, continuous improvement plan and timeline for the MSPO implementation.		
	Status:	Obs
4.1.4 Criterion 4: Continual improvement		
4.1.4.1		
Indicator 1: The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.		
Sampled CIPs in FGVPM Tembangau 03, <b>such as social [worker's quarters maintenance] and pollution prevention</b> [landfill management, widening of buffer area]. There are sufficient records demonstrable on how the CIPs implemented and the effectiveness were measured at planned interval. In FGVPM Tembangau 07, the CIP divided into 3 categories, such as social, environment, pesticide reduction [reduce or eliminate Paraquat, beneficial plants], increase yield [grading technique, harvesting cycle optimization] and recycling program [disposal of used pesticide containers and re-use of fertilizer bags]. Found in FGVPM Tembangau 08, the estate established CIP for 2017/2018, among that are on pesticide reduction [Paraquat 2017[100L], 2018[70L], 2019[50L], improve and/or adding barn owl 2017[30], 2018[20], 2019[10] and planting of beneficial plants 2017[5 Ha], 2018[15 Ha], 2019[30 Ha].		
<u>Observation:</u> The CIP to be review and be given consideration on social impacts that resulted from SIA and improvement focusing on the non-conformance resulted from internal audit.		
	Status:	Obs

4.1.4.2		
Indicator 2: The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption.		
In sampled estates, 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.		
	Status:	Ok
4.1.4.3		
Indicator 3: An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.		
There is annual training calendar established in all the sampled estates 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.		
	Status:	Ok
4.2 PRINCIPAL 2: TRANSPARENCY		
4.2.1 Criterion 1: Transparency of information and documents relevant to MSPO requirements:		
4.2.1.1		
Indicator 1: The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.		
The centralize stakeholder meeting for Seriting Complex was done on 05/10/17, sighted the attendance record [total 189 attended] attached with the minutes of meeting. various issues were discussed and communicated, domestic waste management, 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 no <b>external stakeholder's remarks and for workers seen complaints</b> on house maintenance and requesting to seek medical attention on day to day plantation activities.		
	Status:	Ok
4.2.1.2		
Indicator 2: Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
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.		
	Status:	Ok
4.2.2 Criterion 2: Transparent method of communication and consultation		
4.2.2.1		
Indicator 1: Procedures shall be established for consultation and communication with the relevant stakeholders.		
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.		
	Status:	Ok
4.2.2.2		
Indicator 2: A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.		
FGVPM Tembangau 08 has appointed Mohd Shukry bin Dollah [Asst. Manager] as window person to communicate and <b>follow up with regards to stakeholder's issues. Sighted the letter dated on 30/04/18 was approved</b> by estate manager Mohd Firdaus bin Hamzah. In FGVPM Tembangau 03, sighted appointment letter dated on 07/02/18 for Basarudin bin Jabar the asst. manager nominated to handle social related issues resulted from internal / external stakeholders. As for FGVPM Tembangau 07, sighted the appointment letter for Mohd. Marzuki dated on 02/01/17.		
	Status:	Ok

4.2.2.3		
Indicator 3: List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.		
In the sampled estates, seen 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, JKKK 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 30/05/17.		
	Status:	Ok
4.2.3 Criterion 3: Traceability		
4.2.3.1		
Indicator 1: The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).		
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 <b>by using "Grading Chit"</b> . Sampled verified of chits from Mar-Apr 2018 with no negative findings. Sampled estates maintaining appointment letter for personals dedicated on monitoring traceability.		
	Status:	Ok
4.2.3.2		
Indicator 2: 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.		
	Status:	Ok
4.2.3.3		
Indicator 3: 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.		
	Status:	Ok
4.2.3.4		
Indicator 4: 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.		
	Status:	Ok



<b>4.3 PRINCIPLE 3: COMPLIANCE TO LEGAL REQUIREMENTS</b>		
<b>4.3.1 Criterion 1: Regulatory requirements</b>		
<b>4.3.1.1</b>		
Indicator 1: All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
A mechanism to ensure compliance to legal and other requirements has been documented in FGV/ML-1A/L2-Pr6 dated 01/06/16. Sampled in FGVPM Tembangau 08 of the MPOB License – 559792002000, expires on 31/03/19 [1744.62Ha, permit for purchase and store diesel – C008117 for 10,000L – expires on 07/08/18 and pay deduction for water – RM 11 [electricity – nil as using gen-set] in accordance to Sek. 24, Act 1955 dated 15/09/10. In FGVPM Tembangau 03, sampled permit for purchase and store diesel for 10,000L – expired on 20/04/18 but the estate has applied for the renewal earlier to the due date and pending for formal letter from KDN, Bera.		
	Status:	Ok
<b>4.3.1.2</b>		
Indicator 2: The management shall list all laws applicable to their operations in a legal requirements register.		
In the sampled estates, 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 & 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.		
	Status:	Ok
<b>4.3.1.3</b>		
Indicator 3: The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.		
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. In FGVPM Tembangau 08, sighted the Legal Compliance Checklist dated 05/01/18 which list out all the Permits/Licenses and verified by Nora Ashikin. As for in FGVPM Tembangau 03, sighted the LORR was last updated on various dates in 2017 and 2018. Sighted the monitoring of evaluation was done on 04/01/18.		
	Status:	Ok
<b>4.3.1.4</b>		
Indicator 4: The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.		
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. In FGVPM Tembangau 08, sighted the appointment letter for Zulkiple bin Othman dated on 30/04/18.		
Sighted FAS-RSPO L1/K2.1/2.1.3 that keep tracks the compliance of applicable legal requirements. Sampled, OSH quarterly meeting [26/02/18], medical surveillance [11/11/17], renewal of MPOB license and Diesel permit. As in FGVPM Tembangau 03, a letter of appointment sighted for Mr. Basarudin bin Abd. Jabar seen issued on 19/03/18. For the issues related to foreign workers, the Worker Management Unit will liase with respective sites. The HR team co-ordinates on wages concern issues with all operating units.		
	Status:	Ok

4.3.2 Criterion 2: Land use rights		
4.3.2.1		
Indicator 1: The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.		
<p>In FGVPM Tembangau 08, in accordance to the land title, there are 8 lots [PT 7624 – 7631] totaling to 1758.65 Ha leased for 99 years until 06/01/2098 registered under Lembaga Kemajuan Tanah Persekutuan. In FGVPM Tembangau 03, the total title area is 2219.50 Ha [10 titles] - Planted area is 2428.04 Ha and production area is 1743.69 Ha. There is a discrepancy of 404.99 Ha appears when actual land area measured at 2623.41 Ha against title area.</p> <p>Sighted a letter from estate manager to land officer-FGVPM dated on 27/04/18 requesting to issue the balance land titles. Sampled in FGVPM Tembangau 07, there are 6 Peringkat [89x2,15,17,18x2] with 22 blocks totaling to 2460.34 Ha total land area, 2186.49 Ha of planted area [1124.49 Ha in production] and 273.85 Ha unplanted land area.</p>		
	Status:	Ok
4.3.2.2		
Indicator 2: The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.		
<p>FGVPM Tembangau 08, pays the annual quit rent at which estate has no copies of the payment made. Sampled, grant for FGVPM 508.56 Ha (PT No. 7630) HSD 4729 at Mukim Bera, Daerah Bera, Negeri Pahang. Sighted the grant rented since January 7<sup>th</sup>, 1999 until January 6<sup>th</sup>, 2098 (99 years' tenure) that include the Cukai Tahunan RM 22,887.00. In FGVPM Tembangau 03, the estate has dual crops, oil palm and rubber and has no plan to convert fully to oil palm. During field visit sighted no overplanting nor encroachment within surrounding boundaries. The land title in FGVPM Tembangau 07 <b>allows for agricultural crops "Kategori Penggunaan Tanah – Pertanian"</b>. Sampled a grant for FGVPM 1.85 Ha (PT No. 8560) HSD 4958 at Mukim Bera, Daerah Bera, Negeri Pahang. Sighted the grant rented since October 15<sup>th</sup>, 1999 until October 14<sup>th</sup>, 2098 (99 years tenure) that include the Cukai Tahunan RM 57.00.</p>		
	Status:	Ok
4.3.2.3		
Indicator 3: Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.		
<p>During field visit at FGVPM Tembangau 08, sighted the estate land area are adjoining to FGV and/or Felda managing properties, Pos Iskandar [Asli village], Bera Reserved Forest and Ramsar [conservation of wetland]. The original boundary stones visually seen during field visit, trenches and fencing along surrounding neighbors serves as boundary. Besides, there are also iron poles [red &amp; white] indicating the boundaries with Felcra Palong who also planted with oil palm.</p> <p>Field visit to Block 18, 10, 16 and 12 seen the boundary markers are well maintained. GPS co-ordination of every boundary well input in the estate map stored in smartphone. In FGVPM Tembangau 03, during field visit to Block 22&amp;24 [bordering to LKKP], Block 16 [bordering to Risda Palong] and Block 22 [Buffer to Bera Reserved Forest and Ramsar [conservation of wetland]. Boundary markers were seen clearly and maintained well. Trenches and fencing seen at certain blocks which after the replanting program in 2016. Field visit to in FGVPM Tembangau 07, Block 06 [bordering to Planting Jernih-smallholder], Block 16 [bordering to Risda Palong] and Block 20 [Bera Reserved Forest and Ramsar [conservation of wetland].</p> <p>Boundary markers were seen not visible and some are poorly maintained. The poles are not able to correspond to GPS coordinates in the estate boundary map. Trenches seen with full of fronds and not effectively monitored. There are insufficient records to evidence on why there are only 8 boundary markers were census in 2018 against 241 in 2016. Sighted the boundaries which at Block 20 underwent felling not demarcated properly as seen the clearing activities extended until the border of Hutan Ramsar.</p>		
	Status:	Minor

4.3.2.4		
Indicator 4: Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).		
In all the sampled estates, 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.		
	Status:	Ok
4.3.3 Criterion 3: Customary rights		
4.3.3.1		
Indicator 1: Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.		
"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.		
	Status:	Ok
4.3.3.2		
Indicator 2: 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.		
	Status:	Ok
4.3.3.3		
Indicator 3: 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.		
	Status:	Ok
4.4 PRINCIPLE 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY AND EMPLOYMENT CONDITION		
4.4.1 Criterion 1: Social impact assessment (SIA)		
4.4.1.1		
Indicator 1: Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.		
In FGVPM Tembangau 08, the Social Impact Assessment was held on 22/03/18 by Plantation Sustainability department [Mohd. Salleh & Hilmie] 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 <b>dog's movement at worker's quarters</b> and the action taken was to engage with local veterinary. <b>In the next assessment, the assessing team should widen the scope to include issues such as potential social impact due to replanting, the presence of foreign workers from various countries, domestic waste disposal site that sometimes use by surrounding communities.</b>		
Social Impact Assessment in FGVPM Tembangau 03 was conducted on 15/03/18 by Yaslam Mod Salleh from PSD team. Based on the profile mapping, there are government clinic, community hall, post office, mosque, police station, football field, sundry shops, recreational area and cemetery. For the internal stakeholders/workers the negative impacts found were low awareness on MSPO requirements and lack of understanding on OSH practices. In FGVPM Tembangau 07, the Social Impact Assessment was conducted on 16/03/18 by PSD team. 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 are sustainability policies not communicated, FFB transporters to have more safety concern while travelling on village roads and etc. <b>However, the assessment sighted the sampled 19 personals solely from FGVPM Tembangau 07 and not effectively consulted or interviewed the external stakeholders such as surrounding villages and Asli communities. During field visit, sighted the evidences of Asli communities do fishing at Seriting River, search on forest product by using estate access roads and their presence should be assessed if presence of negative impacts.</b>		
	Status:	Minor

4.4.2 Criterion 2: Complaints and grievances		
4.4.2.1		
Indicator 1: A system for dealing with complaints and grievances shall be established and documented.		
The sampled estates seen 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 & response, consultation & communication, and complaint & grievance. Sampled in FGVPM Tembangau 03, 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. <b>Since Jan'17 – May'18 seen only complaints made by estate workers pertaining to household maintenance.</b> In FGVPM Tembangau 07, the stakeholder meeting by CB on 05/06/18 revealed external stakeholders has no negative feedbacks and this cross verified with stakeholder logbook and found satisfactory results.		
	Status:	Ok
4.4.2.2		
Indicator 2: The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.		
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 & 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.		
	Status:	Ok
4.4.2.3		
Indicator 3: A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.		
The sampled 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 " <b>Rekod Peti Aduan</b> " 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). Sighted in Tembangau 07, all internal <b>and external stakeholders'</b> can deliver their complaints and grievances directly to the management through filling the complaints form at Office Drop Box.		
	Status:	Ok
4.4.2.4		
Indicator 4: Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.		
In FGVPM Tembangau 08, confirmed during the interview with workers and stakeholders (contractor and school teacher) that they have been aware and understand regarding to the complaint and grievance mechanism, including the personal in charge to handle the complaint and timeframe for responding. Sighted in FGVPM Tembangau 03, during the external stakeholder meeting, 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. As per interviewed with external stakeholders in FGVPM Tembangau 07 on 05/06/18, the management takes the effort to give training during annual stakeholder meetings [189 participants attended the recent meeting].		
	Status:	Ok
4.4.2.5		
Indicator 5: Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.		
Seen the internal and external stakeholders log book for FGVPM Tembangau 08 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. In FGVPM Tembangau 03, 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. In FGVPM Tembangau 07, sighted complaints filled and responded more to request and response from them for household maintenance which the estate management responded timely.		
	Status:	Ok



4.4.3 Criterion 3: Commitment to contribute to local sustainable development		
4.4.3.1		
Indicator 1: Growers should contribute to local development in consultation with the local communities.		
<p>In the sampled estates, based on the external stakeholder log book and stakeholder meeting minutes, there was no evidence that local communities have requested either monitory nor logistics for their community development. There <b>was no significant contribution either monitory nor infrastructure for the local's sustainable development</b>. This is possibly due to the location of the estates which surrounded by FGV and/or Felda managing plantations. 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. Head of Upstream Cluster <b>for Serting Region has initiated an entrepreneurship program for estate worker's children.</b></p>		
	Status:	Ok
4.4.4 Criterion 4: Employees safety and health		
4.4.4.1		
Indicator 1: An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.		
<p>An occupational safety and health (OSH) policy for FGV Tembangau 08, 03, <b>has issued by "Ketua Pegawai Eksekutif" Felda Palm Industries Sdn Bhd Mohd Saodi Husin (Pindaan (10) 20 November 2017.</b> The policy declared nine points which mentioned that the FGV has committed to comply with all relevent safety, health and environment laws and regulations (OSHA Act 1994). In order to achieve safe working environment, estate management has providing training and socialization which aims to maintain good competency. This policy is available in Bahasa.</p> <p>OSH management plan is presented in document <b>"Program Latihan untuk Petugas/Pekerja/Kontraktor"</b> The program has consist of 9 main program, for example Fire Drill, Safe Working for Loaders, Safe Working for Sprayers, Safe Working for Manuring, Chemical Handling, PPE Training etc. Those program has delivered to contractors and workers, and There is an evidence of training records for each employees FGV Tembangau 08.</p> <p>During field observation Tembangau 05, it was found that PPE for workers such as safety shoes and rubber gloves were in good conditon for each workers. During field observation in FGV Tembangau 03 was found that PPE for workers such as respirator and googles for each workers for Harvester, Manuring and Sprayer.</p>		
	Status:	Ok
4.4.4.2		
Indicator 2: The occupational safety and health plan shall cover the following:		
<ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risks of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> <li>i) all employees involved shall be adequately trained on safe working practices; and</li> <li>ii) all precautions attached to products shall be properly observed and applied</li> </ul> </li> <li>d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assesment and Risk Control (HIRARC)</li> <li>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.</li> <li>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</li> <li>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.</li> <li>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</li> <li>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</li> <li>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals</li> </ul>		

OSH policy and implementation were communicated to the employees through socialization which conducted on several events, such as: morning (roll) call to worker's socialization to staff and workers. Evidence of latest training for Fire Drill on 23 March 2018, Safety Training on 16 March 2018, Identification, Handling and Storage of Hazardous Chemical on 5 January 2018, Labelling, Handling, Storage, Transfer and Disposal Schedule Waste on 3 January 2018. In FGV Tembangau 03, seen First Aid Kit Training on 2 June 2018, Chemical Handling Training on 16 May 2018, DOSH Awareness Briefing on 16 May 2018 and PPE Training on 13 February 2018.

In FGV Tembangau 07, First Aider Training on 24 May 2018, OSH Law Training 20 May 2018, MSPO RSPO Training on 5 April 2018. Socialization of OSH was confirmed during observation and interview during the field visit. Estate management has Hazard Identification, Risk Assessment and Risk Control (HIRADC) or "Pengenalpastian Hazard, Penilaian Risiko dan Kawalan Risiko". The document has described and explains type of activity, step of activity, hazard analysis, risk control, risk assessment (frequency, severity and scoring), risk level.

Socialization of HIRARC has given through training. Based on document review, it could be concluded that all working activities had covered on the HIRARC. For Hazardous chemical exposure been covered in the HIRARC for Chemical Mixing, Chemical Store Management and Spraying activities. Estate management has provided PPE for all applicators, in accordance with Chemical Health Risk Assessment (CHRA) and Safety Data Sheet (SDS) of products such as boots, safety helmet, google, apron, rubber gloves and respirator.

Used containers were not re-used but directly deliver to the seller. Based on observation and interview with pesticide Applicators in Block 28 FGV Tembangau 03, Block 8 and 10 FGV Tembangau 07 Estate, it could be concluded that all workers were able to explain and demonstrate a safe working practices such as use PPE during application, considering wind direction during spraying, pesticide mixing and storage, emergency situation handling, important contact number, etc. The workers also mentioned that all PPE's given could be replaced by the Estate Management when broken or improperly used. This is also conformed through review on PPE delivery records. There is an evidence of PPE issuance (Rekod Pemberian Pekerja / Petugas and Rekod Pemulangan Pekerja / Petugas) for FGV Tembangau 08 and (Rekod PPE and Buku Rekod Pemulangan PPE) for FGV Tembangau 03.

Based on observation to chemical store, it could be concluded that precautions method for potential accident on chemicals application has refers to Chemical Health Risk Assessment (CHRA) done by Occumed Consultancy & Services Sdn Bhd and Safety Data Sheet (SDS) of products. Both document was available onsite. The worker has also able to explain and demonstrate steps of precaution on incidence.

There is an evidence of periodic medical surveillance done by Dr. Abdul Wahid Mohd Wazir Occupational Health Doctor MMC Reg. 37256 OHD Registration JKPP HQ/08/DOC.00/614(0). For use and Under Use and Standard Exposure of Chemical Hazardous to Health Reg.2000. examples; Differential Count, Neutrophils, Lymphocytes, Monocytes and etc.

FGV Tembangau 08 has appointed OSHA Committee of latest meeting on 26 February 2018 consist of Chairman, 6 representative form employer, 6 representatives from local workers, 2 from Indonesian, 1 Nepal, and 1 India representative. FGV Tembangau 03 OSHA Committee meeting 28 May 2018 consist of Chairman, 4 representatives from employer, 5 form workers. FGV Tembangau 07, OSHA Committee Meeting 21 February 2018 consist of Chairman, 5 representatives from employer, 4 representative form workers and 1 from contractor.

Accident of emergency procedure (ERP) is presented in document of "Emergency Preparedness and Response" Document no FPI/L2/QSHSE-14.0 manual procedure Felda Palm Industries Sdn Bhd (FPISB) Pindaan 23.09.2016. An ERT team has been established at FGV Tembangau 08 for year 2017 – 2018. Procedure has covers chemical spill, fire, accident and effluent spillage. Based on observation to Chemical Store, it was found that the warehouse was equipped with fire extinguisher, important contact number, flowchart of emergency, eyewash, shower and hazardous risk symbols.

Furthermore, based on interview with respective worker, it could be concluded that the worker was able to explain and demonstrate steps of precaution on incidence, such as first aid action to be taken, spills handling and reporting. FGV Tembangau 08 has occupational first aid officer, certified by Medic Xcel Training, valid until August 2018. For FGV Tembangau 03 certified by Malaysian Red Crescent, valid until 16 October 2020.

Workers were equipped with portable first aid kit box which consist of 16 items. Monitoring record of first aid equipment items was available. All 8 first aid kit monitoring record (Rekod Peti Pertolongan Cemas) of items used were available. OSH Committee has records any accident happen and evaluate it on the OSH quarter meeting. During 2018, based on latest on May 2018 1 accident recorded and FGV Tembangau 07 also 1 accident recorded.

<u>Observation:</u> Estate management encourage to monitor the PPE storage mechanism especially for Spraying Activities. Estate management encourage to continue monitoring the PPE usage especially safety boots among the workers.		
	Status:	Obs
4.4.5 Criterion 5: Employment conditions		
4.4.5.1		
Indicator 1: The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.		
A Human Right Policy (Polisi Hak Asasi Manusia), established and displayed at <b>the office and worker's quarters</b> . Signed by Mohamed Emir Mavani Abdullah CEO FGV on 01 June 2014. There is an evidence of gender committee Meeting (Mesyuarat Jawatankuasa Gender) Complex Seriting Hilir on 22 March 2018 for FGV Tembangau 08, 03 and 07. The "Human Right Policy" <b>has incorporated the company's standing on</b> policy to support the human right and FGV will take into the consideration on human right in the preparation of manual, procedure and other policy. 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.		
	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.		
There is an Equal Opportunities (Polisi Kesetaraan Peluang) Policies signed by Mohamed Emir Mavani Abdullah CEO FGV 1 June 2014 2014, all employees should be treated fairly in terms of recruitment, progression, terms and conditions of works and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. All foreign workers get the benefits of The terms of conditions of Service is comply accordance the Minimum Wages Order 2016 P.U. (A) 116 29 April 2016. There is gender committee meeting, OSH meeting as a mechanism to implement the policies and procedures. Based on the interview with the foreign and local workers, there is no issues regarding to the discriminatory and social issues at the estate operation.		
	Status:	Ok
4.4.5.3		
Indicator 3: <b>Management shall ensure that employees' pay and conditions</b> meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.		
There is a clear statement on the contract (Perjanjian Kontrak Di Antara Felda Global Ventures Plantations (Malaysia) Sdn Bhd dengan Tenaga Kerja Asing) that been signed by the workers according to hours of works, overtime, public holiday, work on a paid holiday, annual leave, maternity leave, compassionate leave, sick leave, hospitalization, occupational safety and health, accommodation, absenteeism and dismissal. The contract was done in Malaysian, based on the interview workers are understand the contract and aware about the contract conditions.		
<b>For local worker's deduction been made for KWSP, SOCSO, and water, and for foreign worker's deduction only made for water usage and electric.</b> There is an evidence of understanding agreement (Surat Persetujuan Pekerja Operasi Ladang) signed by workers under item 1 deduction will be made to workers if workers are using electric and water more than subsidized given by management for RM 15.00 per person and also there is evidence of deduction permit from Jabatan Tenaga Kerja (Permit Pemetongan daripada Gaji Pekerja Seksyen 24 Akta Kerja 1955) series number PP 3/34/1438 effective from 15/9/2010 stated that total deduction per month not more than 50% from salary.		
FGV Tembangau 08 an evidence of pay slip for FGV Tembangau 08 Acun (General Workers) RM 1,039.50, Md Nizam Uddin RM 1,039.50 and Muzakkir RM 1,312.54. FGV Tembangau 03 an evidence of play slip for FGV Tembangau 03 Abdul Kalam RM 1,449.38, Muhamad Aziq RM 3,655.70, Ahmad Hatib RM 2,342.85 and FGV Tembangau 07 an evidence of pay slip for FGV Tembangau 07 Amir RM 1,039.50, Jaya RM 1,637.05, and RM 1,039.50.		
	Status:	Ok

<p>4.4.5.4</p> <p>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.</p>	<p>Based in the document review for record of payment to the contractor and agreement between the management and contractor and also interview with the contractor workers it can concluded that they are comply with for legal minimum wages standard. Sampled document, <b>FGV Tembangau 08, Sighted the employee's contractor payslip and agreement:</b> for PV Maju Enteprese (585) FGVP (WS) 10/03-02 Dol Sprayer RM 1,620, Arman bin Loti RM 1,680 and Chandaran RM 1,500 and FGV Tembangau 03, (Perjanjian Kontrak Antara Felda Global Ventures Plantation (Malaysia) Sdn Bhd dan Junaidi bin Hashim) contract number 5300003681. The contract agreement between contractor and their workers sighted complied with requirement of Part X11 XII of the Employment Act.</p>	<p>Status:</p>	<p>Ok</p>
<p>4.4.5.5</p> <p>Indicator 5: The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p>	<p>There is a list of employees for FGV Tembangau 08 for [23 Local workers / 56 Bangladesh / 45 Indonesian / 29 India and 2 Nepal]. In FGV Tembangau 03 [64 Local Workers / 70 Indonesian and 84 Bangladesh]. In FGV Tembangau 07 [50 Local Workers / 133 Bangladesh /39 Indonesian and 6 Indian]. This includes the <b>workers name, worker's ID, citizenship,</b> passport number, passport validity, and arrival date. Based on the interview and ground verification, there is no underage workers and the workers are aware about the company policies regarding the social policies, no forced labour, no issues regarding the equality and non-discrimination.</p>	<p>Status:</p>	<p>Ok</p>
<p>4.4.5.6</p> <p>Indicator 6: All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p>	<p>Evidence of contract agreement between Felda Global Ventures Plantations (M) dan Foreign Work Force and Kamarul Huda. This agreement is made on 26/11/16 with passport No. BJ 0557295. This agreement term shall be for a period three years from November 26th, 2016 and may be renewed from year to year not exceeding 10 years. The employee shall work 8 hours a day and 6 days per week. The Company will finance the cost of hiring new employee and current work permit. The company is responsible to provide insurance for each <b>employee under the foreign worker's</b> compensation scheme (FWCS) as required the Ministry of Human Resources, Malaysia.</p> <p>For the insurance coverage required by the government of source country, the cost will be borne entirely by the employee. All <b>employee's passport</b> shall be kept in the office for security reasons. Employees may obtain the passport from the company as a valid travel document, if necessary. This agreement has been signed by the company between the employee and the witnessed. The agreement is in Bangladesh language and both of party has the agreement.</p> <p>As for the local workers, interview with office and field staff, they have been provided with job confirmation letter at which the terms and conditions were briefed on the first day of appointment. A copy of payslip is being given timely and beneficial as stipulated in the appointment letter has no violation by the estate management.</p>	<p>Status:</p>	<p>Ok</p>
<p>4.4.5.7</p> <p>Indicator 7: The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p>	<p>There is a policy to prevent the sexual harassment and violence stated in the Social Policy (to developed and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights). A <b>Social &amp; Humanity Management Policy</b> stated that "<b>Safeguard our operations from</b> employing forced labour and child labour to <b>ensuring that they are socially beneficial and do not infringe on basic human's rights,</b> such as recognize the right of their employees. Pay slip of sampled workers have been verified and there is an evidence of <b>normal days'</b> overtime and holiday pay. An evidence of complaint form and books available. Latest complaint has been resolved and documented and there is an evidence of local contribution made by the management to the local communities. Based on the (Kadar Upah Kerja Ladang) and clarified with MAPA workers that working on 8 hours a day entitled to apply overtime or ask to an overtime job with consent from the workers itself.</p>	<p>Status:</p>	<p>Ok</p>



<p>4.4.5.8 Indicator 8: The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p>	<p>There is an evidence of pay slip of workers (samples pay slip workers – May 2018). That include of workers name, workers number, ID number, basic salary, EPF / KWSP, insurance and etc. Based on the interview with the estate workers (except mandor) they are working below than 8 hours per day. (Refer Kadar Upah Pekerja Ladang, Muka Surat 6 Bahagian B: System Upah, no 1.29. And also Buku Kadar Upah Kerja Pekerja Ladang, Muka Surat 10, Bahagian B : Waktu Bekerja, no 2.9.</p>	
<p>Status:</p>	<p>Ok</p>	
<p>4.4.5.9 Indicator 9: Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p>	<p>An evidence of pay slip for FGV Tembangau 08 an evidence of pay slip for FGV Tembangau 08 Acun (General Workers) RM 1,039.50, Md Nizam Uddin RM 1,039.50 and Muzakkir RM 1,312.54. In FGV Tembangau 03, an evidence of play slip for FGV Tembangau 03 Abdul Kalam RM 1,449.38, Muhamad Azig RM 3,655.70, Ahmad Hatib RM 2,342.85. In FGV Tembangau 07 an evidence of pay slip for FGV Tembangau 07 Amir RM 1,039.50, Jaya RM 1,637.05, and RM 1,039.50. Pay slip of sampled workers have been verified and comply with the minimum wages.</p>	
<p>Status:</p>	<p>Ok</p>	
<p>4.4.5.10 Indicator 10: Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.</p>	<p>FGV Tembangau 08 An evidence in the pay slip (Penyata Gaji Bulanan untuk Mei 2018) for social benefits such as, KWSP, Perkeso, Workers will be paid overtime based on applicable rates in the Employment Act 1995, free medical examination, assistant by a qualified hospital or medical appointed by the company or medical officer in any government hospital or panel clinic covered by AIA Insurance and foreign workers covered by ETIOA Takaful (Foreign Workers Compensation Scheme). Sampled document (Slip Pengesahan Skim Pampasan Pekerja Asing SPPA) Felda Global Ventures Plantations (M) Sdn Bhd Policy number W5024566 valid until 12 October 2018.</p>	
<p>Status:</p>	<p>Ok</p>	
<p>4.4.5.11 Indicator 11: In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p>	<p>Based on field visit and interview with workers known that the adequate housing, clean water supplies, medical, mosque, temple, electricity and access to adequate, sufficient and affordable food has been provided. There is no complain and grievance related to housing standard. The company provides adequate housing, water and electricity (from generator set) <b>for its workers, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446)</b>. Foreign workers are housed according to their ethnicity and religious beliefs and have adequate beds, clean running water from taps, kitchen and toilet facility. Workers are also provided with basic facilities such as bedsheet, pillows, pillowcases etc. for their living convenience. Site visit by the audit team to the workers housing (Perumahan Pekerja Tembangau 08, 03 and 07) for confirmed that the housing is generally well-maintained. Interviews with workers at the housing also reveal that the housing facility is adequate.</p>	
<p>Status:</p>	<p>Ok</p>	
<p>4.4.5.12 Indicator 12: The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p>	<p>There is a policy to prevent the sexual harassment and violence stated in the (Polisi Gangguan Seksual, Keganasan serta Hak Kebebasan Reproduksi) stated that FGV committed to give an attention to sexual harassment occur at the workplace according to section 22 (Kod Etika dan Tatalaku Petugas) A procedure is established (Prosedur Menangani Aduan dan Rungutan) FGV/ML-1A/L2-Pr13 effective date on 1 June 2016. There is a flow chart to resolve the complaint and grievance regarding the sexual harassment. A gender committee has been established for the Serting Hilir Complex.</p>	

There is an evidence latest of gender committee meeting for all estate. The company has a manual on implementation of the gender policy that provides guidelines to the specific components which includes understanding and recognition of rights and background of an issue, details and specific complaints and grievance procedure to address issues within gender and guidelines on the roles and responsibilities of management in supporting the initiatives and activities of the gender committee.		
	Status:	Ok
<b>4.4.5.13</b> Indicator 13: The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.		
There is a policy (Polisi Hak Kebebasan Bersuara & Menganggotai Kesatuan) Signed by Mohamed Emir Mavani CEO FGV 1 June 2014. Stated that FGV give a freedom to speak and not to prevent workers to join any union. Based on the interview with workers, FGV Tembangau 08, 4 workers, in Tembangau 03, 7 workers and in FGV Tembangau 07, 3 workers found are aware with the company policies, workers right and welfare, compliance with laws and regulations with regards to employment, and contract employment. There is no complain and grievance related to housing standard and amenities.		
	Status:	Ok
<b>4.4.5.14</b> Indicator 14: Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.		
There is a child labour policy (Polisi Larangan Buruh Kanak-Kanak) to prevent individual under 18 years old working at the premise based on the Malaysian Law signed by Mohamed Emir Mavani Abdullah CEO FGV 01 June 2014. There is a list of employees for FGV Tembangau 08 Maklumat Tempatan Ladang Tembangau 08 latest on 2018 and FGV Tembangau 03 and 07 on Labour Register. There is documented evidence that minimum age requirement is met. Random checks of staff, local and foreign <b>workers' employment contracts and personal details as well as passports of</b> foreign workers at the estate demonstrate compliance to the minimum age requirement of Malaysia, i.e. 18 years.		
	Status:	Ok
<b>4.4.6 Criterion 6: Training and competency</b>		
<b>4.4.6.1</b> Indicator 1: All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.		
FGV Tembangau 08 management unit has an annual training program for employees and contractor. For example, training subject program for Year 2018 are training on chemical handling, environment, and safety policy, first aid, fire drill, scheduled waste management, HIRADC and hearing conservation programme. Evidence of training program realization is presented as follows, for example Safe Working Procedure for Loader and Harvester on 13 February 2018, Safety Working Procedure for Sprayers on 23 January 2018 and OSH Training on 26 February 2018. In FGV Tembangau 03 (Program Latihan Tahunan Ladang Tembangau 03) for example First Aid Kit Training on 02 February 2018 and DOSH Training on 28 May 2018.		
In FGV Tembangau 07 (Pelan Kesihatan dan Keselamatan Tahun 2018 Ladang Tembangau 07), First Aid Kit Training on 24 May 2018 and Rat Bait Training on 19 May 2018. For example, of trainings mentioned above, evidence such as attendance list, picture documentation. Furthermore, based on interview with general workers and harvester, it could be concluded that all operators were able to explain and demonstrate its technical work aspect such as operational of instruments, safety working implementation, PPE used, operator license requirement and maintenance.		
	Status:	Ok

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.		
Identification needs analysis of specific skills and competency for individual employees is presented in document annual training programme 2018 (Program Latihan untuk Petugas / Pekerja / Kontraktor), For example, implemented for Safe Working Procedure for Harvester and Loader on 13 February 2018, Law Training (OSH 1994) on 18 March 2018 and Training for Replanting on 23 January 2018.		
	Status:	Ok
4.4.6.3		
Indicator 3: A continuous training programme shall 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		
The company has an annual training program which updated annually (Program Latihan untuk Petugas / Pekerja / Kontraktor. There is annually training matrix available. The company has a training program which updated annually. For example, FGV Tembangau 08 training programme for Year 2018 were consist of 9 main program, FGV Tembangau 03, (Program Latihan Tahunan Ladang Tembangau 03). Training was conducted by OSH Committee, for example, training on MSPO awareness on 24 March 2018, Training on Metarhizium Solid Substrate (MSS) usage on 11 March 2018 attended by 12 workers for FGV Tembangau 08 and RSPO and MSPO awareness training for FGV Tembangau 03 on 21 May 2018. FGV Tembangau 07, First Aid Kit Training on 24 May 2018, and MSPO and RSPO Training on 5 April 2018		
	Status:	Ok
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 number document 1/2018 dated 26 <sup>th</sup> February 2018.		
Based on the interview, the action plan had been developed, communicated to the workers of estate (5 harvesters, 2 spraying, and fertilizing activities, 2 persons 4 Bangladeshis, 3 Indonesian workers and 1 local workers). 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.		
	Status:	Ok
4.5.1.2		
Indicator 2: The environmental management plan shall cover the following:		
<ul style="list-style-type: none"> <li>An environmental policy and objectives</li> <li>The aspects and impacts analysis of all operations.</li> </ul>		
The environmental management plan had been developed by the estate management including of the source of pollution, action needed, responsible person, time line for 2017/2018 – January to Mar and April to June: October – December and the required monitoring records. Sighted the evaluation and management plan – dated 13 November 2017 – refer table 4.2 management plan to reduce the impact on environment through the estate activities, e.g.: soil pollution – empty pesticide container – action is to collect the empty container and record in the collection storage – triple rinse and recorded. Recycle and reused the empty pesticide container to transport the pesticide into the estate. Sighted the method of process aspect and impact on environment identification by the management unit. Sighted Lampiran 4: Criteria Aspect impact that will monitor the frequency of incident, severity and risk assessment by the management.		
	Status:	Ok

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.		
Environment improvement plan had been developed and the summary of the score related to environment had been made into; summary core on impact aspect of environment from non-waste item. Activity - Aspect – Impact - score – severe and non-severe. Sampled weed spraying → spillage during pesticides mixing → pollution form water and soil → score = 16 → severe and circle spraying → spillage during pesticides spillage → soil and water pollution → score 16 “significant”. Based on the summary of the activity in the estate, it was found that spraying activities that produced impact towards environment. Spraying activities are contributing towards environmental impact such as, water and soil pollutions from spent herbicides containers		
	Status:	Ok
4.5.1.4		
Indicator 4: A programme to promote the positive impacts should be included in the continual improvement plan.		
Program to promote positive impact: sighted the action plan to reduce the impact 3RR (reduce Reuse recycle). E.g. – fertilizer bags → soil pollution inside the estates → reuse where appropriate → 400 pieces → collected and sell at recycling center → quantity of recycle → notes : never burnt. HDPE containers → water and soil pollution → reuse to fill in the water and usage where appropriate → collected and send back to the registered contractor.		
	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.		
Awareness training program concerning to waste management and environment had been done on 1 <sup>st</sup> April 2018 at 3 pm at meeting room – the estate management and region on training on handling chemical material, OSH explanation and training on regulation to the new workers as per program, such as to ensure all the workers understand and knows related to spraying and management of chemical in the estates, to ensure all the spraying workers to wear the PPE and appropriate protective during the works, to ensure the workers understand the responsibility of PPE according to the workers need and to ensure the workers understand the effect of chemical towards the body. Sighted the agenda program → explanation related to chemical handling → Scope → safe working procedure on chemical handling. Attendant list sighted and the meeting was attended by 48 personnel.		
	Status:	Ok
4.5.1.6		
Indicator 6: Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.		
Meeting regarding environmental – had been done on 5 <sup>th</sup> March 2018 at meeting Room FGV Tembangau 8 that will discuss the matters related environment and awareness. Sighted 17 list of people attending the meeting and matters arising on environment had been discussed. Based on the minutes meeting, there is no changes in aspect impact and no significant effect towards the environment. Sighted the minutes meeting had been prepared by assistant manager and approved by Estate manager of FGV Tembangau 8.		
	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.		
Several strategy which already implemented by and are monitoring of fuel consumption, utilizing by-products (kernel and fiber) as source of energy (fossil fuel substitute) for the boiler operation. The anaerobic pond had been extracted and stored in a 3 digester tank to reduce the BOD of final discharge. Records of several strategy mentioned in the former is presented. Sighted the FFB report Metric ton year 2017 that include data, e.g. January – December = total of FFB = 294,350.00 -> 15% fiber.		
	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.		
FGV estate Tembangau 3, 7 and 8 had utilized the nonrenewable energy from the mill to their estate operation such as:		
i) Utilization of EFB from the mill for EFB application at the estate		
ii) Mechanization by using Grabber for FFB evacuation from the estate - reducing the workers and mobile transportation		
iii) Transportation of FFB from the estate using BIN System - reducing the numbers of lorries for FFB transportation to the mill		
The company has able to shows several measurement data related to pollutions towards operational activities. For example, latest testing in 2017 is presented as follows:		
<ul style="list-style-type: none"><li>• <u>Estate Sources</u>: Diesel consumption, uses of agrochemicals, uses of chemical fertilizer, organic domestic and others;</li><li>• <u>Mitigation Plan</u>: monitoring, recording and analysis of diesel consumption for FFB transportation, reduction of pesticide uses (liter/ha) through biological control, reduction of fertilizer uses through by-products application, domestic waste management monthly bases, waste separation (organic and non-organic) and no burning in waste management, paperless implementation (rim/month), recording on recycle (kg/month) and training to the respective worker.</li></ul>		
	Status:	Ok
4.5.2.3		
Indicator 3: The use of renewable energy should be applied where possible.		
Based on the audit and document verification at FGV Tembangau 3, 7 and 8, there is no usage of renewable energy, however the 3R program had been implemented at both premises. Based on the field verification at the estate, the company had prepared the recycling bin and waste separation [ 3 pieces of plastic, glass and papers].		
	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		
Sighted the inventory of scheduled waste and nonscheduled waste from the estates operation, office and housing area which include fertilizer bags, used tires, scrap iron / used wooden and domestic waste. Sighted the inventory record tripled rinsed chemical container of FGV Tembangau 8, 7 and 3 estates for year 2017 that describe the details including: numbers, date out, date in, return date, numbers of return, numbers of triple rinsed 3X, reused number (current date, todays date), Punctured number is (HI, HHI), sales disposed and notes. Disposed waste on the estate of FGV Tembangau 3, 7 and 8 such as spent PPE used, chemical and herbicide container, paint container → land, air and water pollution → sell to registered collector → collected and place in waste store, send to registered collector.		
Sighted the action plan regarding the management of Waste material which include:		
<ul style="list-style-type: none"><li>• Waste materials</li><li>• Impacts and effect</li><li>• 3R program and method – reduce, reused, recycle</li><li>• Disposal methods: to reproduce on estates, taken from factory and decayed in estates, used to be sufficient for the needs of mill and for sale</li></ul>		
On the other hands, it was found that in the estate spent filters near the Genset room not identified as Scheduled waste - Tembangau 3, spent lubricant container found inside the Genset room and has not being identified as Scheduled waste item -Tembangau 3, spillage spent lubricant observed inside the monsoon drain – Tembangau 3, spillage of diesel at diesel tank area. - Tembangau 3, spent Paint container are being mixed up with tripled rinsed store – Tembangau 07 and spent battery was found at the general store area – Tembangau 07.		
	Status:	Minor

#### 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:

- Identifying and monitoring sources of waste and pollution.
- Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.

Waste management program observed with disposal of scheduled waste to licensed contractor and proper scheduled waste store had been provided as per waste management plan. Sighted the source of pollution from estate activities : fertilizer bags → tyres → used steel → paper , clothes aluminium → electronic waste → waste domestic → action plan. Sighted the disposal at FGVPM Tembangau 3:

- Green Herbicide container – 0.40 X56kg =22.40 MYR
- Kenley pesticide container – 0.40 X 3kg = 1.20MYR
- Fire Extinguisher – 0.60 X 25 unit = 15.00 MYR
- Total = RM 38.60

Disposal to Green Energy Recycle trading dated 7<sup>th</sup> February 2018 – sales of triple rinse container 3X = 297 units' X 0.50 = 148.50. However, during the field observation, sighted that few non-conformity such as there is no evidence of implementation waste management at the management unit. Based on the observation at KKS Serting Hilir and Estate, it was observed that Domestic waste management in Housing area of Tembangau 8, 3 and 7 are not according to disposal waste procedure.

Hence the auditor made conclusion that there is improper waste management plan at the estate as the implementation of the waste management is not according to the management plan.

Status:

Minor

#### 4.5.3.3

Indicator 3: The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.

Sighted the procedure of waste management in FGV Tembangau 3, 7 and 8 related to – “Prosedur Kerja Selamat Pengendalian Bahan Buangan Terjadual”– 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 includes management of waste disposal, notification of waste disposal, labeling of waste disposal, storage of waste disposal, inventory of waste disposal, collection and transportation of scheduled waste and recycling and disposal of scheduled waste.

Status:

Ok

#### 4.5.3.4

Indicator 4: Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on **manufacturer's labels should be adhered to. Reference should be made to the** national programme on recycling of used HDPE pesticide containers.

Based on the document verification at the estates, it was found that the Inventory as per details of container being kept at the store premises. Sighted the tripled rinse record at – FGV Tembangau 8

- Type of pesticide – alien, adar herbicide 1 litre – last dated on 25<sup>th</sup> March 2017
- Type of pesticide – Round Up / number out 1, number in 1, date out 17<sup>th</sup> October 2016, tripled rinsed 1, reused 1, punctured nil, disposed out nil
- Type of pesticide : Cypermethrin – numbers in/out =1 → date out 17<sup>th</sup> November 2016 – number of tripled rinsed = 1

Status:

Ok

4.5.3.5		
Indicator 5: Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.		
Based on the field observation at FGV Tembangau 3, 7 and 8, the management unit had provided the dumping site for the domestic waste disposal. Sighted the dumping area that had been closed including the dates of closing and opening of new dumping area. Proper dumping area sighted as the location of the dumping area for domestic waste is far from water courses. However, based on the field verification, <b>there is no evidence of implementation of waste management at the sampled estate. Base on the observation at line site and dumping area and Interview with the workers, the domestic waste management at workers living quarters Tembangau 03, 07 and 08 are not according to document disposal waste procedure.</b>		
	Status:	Minor
4.5.4 Criterion 4: Reduction of pollution and emission		
4.5.4.1		
Indicator 1: An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.		
The company had developed the assessment of polluting activities been recorded in identification of aspect impact in form FGV/FGVPMN/VI/IMS/15/1.6 Pind. 1 that include all the list of polluting activities, tripled rinsed and collected the chemical container in spent chemical container		
<ul style="list-style-type: none"> <li>• Spraying activities</li> <li>• Premix mixing chemical at chemical store</li> <li>• Chemical / pesticides storage area</li> <li>• Storage of fertilizer in the store.</li> <li>• Usage of vehicle to transport FFB to the mill</li> <li>• Fertilizer manuring and transporting premix container to the estate</li> </ul>		
Sighted the list of pollution that made an impact towards the environment on land, leaching on the land, water pollution, ground pollution and air pollution.		
	Status:	Ok
4.5.4.2		
Indicator 2: An action plan to reduce identified significant pollutants and emissions shall be established and implemented.		
The company had developed the action plan to reduce significant pollutant and emission towards the environment including:		
<ul style="list-style-type: none"> <li>i) Source of pollution</li> <li>ii) Action needed</li> <li>iii) Person in charge</li> <li>iv) Timeline for 2018 (Jan – Mar, April – June, July – Sept, Oct – Dec)</li> <li>v) Monitoring effectiveness of action plan</li> </ul>		
Sighted the example of the action plan related to reduce the impact towards environment e.g. : ground pollution → source from chemical container → action , to collect the spent chemical container and tripled rinsed, recycle the chemical container for workers premix → training on management on empty chemical container to contractors and related workers.		
	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:		
<ul style="list-style-type: none"> <li>a) Assessment of water usage and sources of supply.</li> <li>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that <b>reflects the estate's current activities.</b></li> <li>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.).</li> <li>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</li> <li>e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</li> <li>f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</li> </ul>		
Sighted the water management plan for year 2018 dated 22 February 2018 that includes of information on source of water ways, identification of water sources, rate of water usage and person in charge. e.g. ; estate → river → impact on flash flood in the estate → pollution of Soil Erosion into the water → estate drainage clogged, blockage system, heavy rainfall → action plan on cleaning estate drainage , cleaning culvert estate, building up estate drainage → manager / SPK Region. However, <b>based on the biodiversity report dated in 2017, for Tembangau 07, it is known that there is a river and the management has established plans in the document titled "Pelan Pengurusan air Tahun 2018". However, the sampled estate not able to demonstrate the evidence that the water analysis had been done. Aside during field visit, there is not any signboard of buffer zone along Tembangau River at Block B20/21 of Tembangau 07 Estate.</b>		
	Status:	Minor
4.5.5.2 Indicator 2: No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.		
Based on the field verification at Sungai Tembangau at Tembangau 3, sighted no construction of bund, weirs, and dams across the estate. There is a swampy area in the estate Field PM 01A that being protected by the proper buffer area. Based on the field observation sighted the signboard regarding buffer zone (marked in blue color) and the buffer zone as per FGV buffer zone requirement <b>"to setup the buffer zone appropriately in the river banks accordingly to filter the waste runoff towards the river".</b>		
	Status:	Ok
4.5.5.3 Indicator 3: Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).		
Water harvesting practices, sighted the last drain on water harvesting and practices had been implemented on January 2018, that include dates, block, main road, second road, weather, notes and verification. Sighted the personal in charge that responsible on the water management plan for each estates.		
	Status:	Ok



4.5.6 Criterion 6: Status of rare, threatened, or endangered species and high biodiversity value area		
4.5.6.1		
Indicator 1: Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:		
a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.		
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.		
Identification and Management Plan of HCV and Biodiversity have been conducted by internal competence personnel from CDD Unit. Summary of HCV Area (based on summary executive HCV assessment report) stated that no HCV was found in FGVM Tembangau 8 (December 2017) Tembangau 07 dated January 2017 and Tembangau 3, on December 2017 and based on the report sighted no RTE found in the estate and IUCN Status. HCV assessment performed with consultation with relevant stakeholder, considering biological record, all planted areas, etc. The assessment had been done accordingly and few hotspot areas had been found in the estate as such boundary stone not found and old demarcated stone – action taken by unit. The estate had a few spots of swampy area – action taken for marking and labelling. However, based on biodiversity assessment report at FGV Tembangau 3, not all information collated in a biodiversity assessment are finalized. Based on the biodiversity report verification, it was found that information is still being finalized and completed.		
	Status:	Ok
4.5.6.2		
Indicator 2: If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:		
a) Ensuring that any legal requirements relating to the protection of the species are met.		
b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.		
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 FGV Tembangau 8, FGV Tembangau 07 and Tembangau 3, 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.		
	Status:	Ok
4.5.6.3		
Indicator 3: A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.		
The monitoring record and field verification had been conducted regularly as per record. Sighted the management plan on the estate regarding monitoring hidupan liar dan Kawasan sensitive: refer laporan Tahunan 2018: Q1/Q2/ Q3/ Q4 [Date and time / Kawasan peringkat dan block / Jenis hidupan / aspect sensitive yang dikenalpasti / Bukti kesan kehadiran]. No RTE found until these dates and sighted the plan had been verified by estate manager – FGV Tembangau 8.		
As per Hotspot found → responsible PIC manager and assistant manager → apply to Land management unit for new maps/ revised maps. Person in charge – Assistant manager and Manager → install signboard on identification of HCV/ sensitive / hotspot area. Updating wildlife record periodically → report to authority if there is any encroachment to the land regarding wildlife – time to time → long term – to ensure the staff and workers to protect the land and ensure the protection of estate as accordingly.		
	Status:	Ok

4.5.7 Criterion 7: Zero burning practices		
4.5.7.1		
Indicator 1: Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.		
Prohibition open burning policy observed for FGV with endorsement from President, Mr. Mohammed Emir Mavani dated 1/6/2014 which stated "Burning 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 ". On top of that, FGV also made a Prohibition of open burning addressed in Manual Lestari – Replanting, Doc no. MLSL (Ed.2) – Sec 2.		
Land clearing using felling and chipping method. Prohibition of open burning policy addressed into stakeholder booklet and briefed to stakeholder including smallholder during stakeholder meeting. However, during Site verification at FGV Serting Hilir, it was found Traces of open burning during post chipping activities at replanting area Tembangau 07 – Blok B20 / B21. Based on the field verification at Tembangau 07, it was observed that several spot of palm chipping are burnt. Hence, it is against the FGV Policy of Zero Burning established on 1 <sup>st</sup> June 2014 which stated " <b>tiada seorangpun</b> petugas atau pekerja FGV atau Kontraktor yang bekerja di premis FGV boleh membenarkan atau menyebabkan pembakaran terbuka sama ada semasa <b>aktiviti kerja tanam semula , pembakaran sampah domestik di tapak premis</b> ".		
Status:		Major
4.5.7.2		
Indicator 2: A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.		
No disease on the previous crop, and highly diseases as per interview with field staff, managers and assistant manager, including field observation at Tembangau 3, 7 and 8. Based on document verification and interview with operational staff, there is no pest outbreak for the last 2 years before. All pest attack was under controlled.		
Status:		Ok
4.5.7.3		
Indicator 3: Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.		
No replanting carried out using open burning as per required b by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.		
Status:		Ok
4.5.7.4		
Indicator 4: Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.		
The company had developed an SOP of replanting and the details regarding the method of it are clearly explained in the SOP Manual of FGVP. Based on the field verification, sighted the last replanting on 2013 are felled, mowed down, chipped, shredded, windrowed, pulverized , ploughed and mulched .		
Status:		Ok
4.6 PRINCIPLE 6 : BEST PRACTICES		
4.6.1 Criterion 1: Site management		
4.6.1.1		
Indicator 1: 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 FGVP/L3/PK-01 until FGVP /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 <b>procedure had been made into "Manual Prosedur Kerja Selamat" of FGVP Holdings</b> and being distributed to all estates of FGV including in FGV Tembangau 3, Tembangau 07 and Tembangau 8.		
Status:		Ok

4.6.1.2					
Indicator 2: Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.					
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.					
	Status:				Ok
4.6.1.3					
Indicator 3: 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 Muccuna bracteates. 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.					
	Status:				Ok
4.6.2 Criterion 2: Economic and financial viability plan					
4.6.2.1					
Indicator 1: A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.					
Sampled estates have made long term work plan for three years (2018 – 2020). It consists estimation data of FFB projection, prices per ton, revenue, operating cost, total cost and profit. The document also equipped with 5 years' production backward, hectare statement, yield, OER/KER and CPO/PK projection. Based on interview with estate manager known there is no land expansion.					
	Status:				Ok
4.6.2.2					
Indicator 2: Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.					
Management units have a replanting program for five years as above:					
Estate	2018	2019	2020	2021	2022
Tembangau 08	442.40	307.96	-	-	-
Tembangau 03	-	-	-	-	-
Tembangau 07	321.11	422.79	323.07	415.36	-
Based on field observation in Tembangau 08 Estate, Block 12 and Tembangau 07 Estate, Block 20. it's known that unit management has conducted a replanting that has been planned.					
	Status:				Ok
4.6.2.3					
Indicator 3: The business or management plan may contain:					
a)Attention to quality of planting materials and FFB.					
b)Crop projection: site yield potential, age profile, FFB yield trends.					
c) Cost of production: cost per tonne of FFB.					
d) Price forecast.					
e) Financial indicators: cost benefit, discounted cash flow, return on investment					
FGV Tembangau 3, Tembangau 07 and Tembangau 8 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 so. The Estate of Tembangau 3, 7 and 8 statement said there was no replanting plan for the next 5 years.					
	Status:				Ok

4.6.2.4		
Indicator 4: The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.		
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.		
	Status:	Ok
4.6.3 Criterion 3: Transparent and fair price dealing		
4.6.3.1		
Indicator 1: Pricing mechanisms for the products and other services shall be documented and effectively implemented.		
FFB pricing mechanism are based on "Manual Penggredan buah kelapa sawit" issued by Malaysian palm oil board. This document explained the FFB price forecast i.e :		
<ul style="list-style-type: none"> <li>• FFB price for 1 % Based OER = (CPOp-C-TC-AC)(BOER) + (PKPp-AC)(BKER)-(PC) / Based OER</li> <li>• FFB consignment price = FFB price for 1 % BOER x GOER x FFB tonnage (tonne)</li> <li>• CPOp = CPO price based on areas</li> <li>• PKPp = palm kernel price</li> <li>• C = Special charge (if any)</li> <li>• TC = cost transport per tonne CPO for buyer</li> <li>• AC = other cost (if any)</li> <li>• BOER = baseline oil extraction rate</li> <li>• BKER = based kernel extraction rate</li> <li>• PC = processing cost / tonne FFB by POM</li> </ul>		
GOER = kadar minyak perahan minyak digred yang ditawarkan kepada pembekal berdasarkan kadar perahan minyak asas setelah ditolak penalti (if any). Document of FFB Pricing standard from MPOB are available, per December 2017. These standard as directive for POM considered OER, plant year, and etc in related to FFB pricing mechanism for FFB from supplier.		
	Status:	Ok
4.6.3.2		
Indicator 2: All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner.		
FGV Tembangau 08, There was available the sample of document Agreement (585) FGVP (WS) 10/03-02 between Kilang Sawit Serting Hilir with Ramakrishnanrao A/L Engkatesalu (Meyediakan Buruh, pengangkutan, peralatan serta segala keperluan bagi melaksana dan menyiapkan pekerjaan mencuci merumput 60/hari / psg sebanyak 6 pusingan diladang Felda Tembangau 8. There was also observed payment record to contractor, such as payment voucher. FGV Tembangau 03, sampled for (Perjanjian Kontrak antara Felda Global Ventures Plantations (Malaysia) Sdn Bhd dan Junaidi bin Hashim No. Kontrak 530003681 Menuai BTB termasuk mengutip biji relai dan memotong pelepah sawit) for harvesting activities. FGV Tembangau 07, sampled for FGVP with Golden Million Timber Training 530002771 (Memajukan Kawasan Pertanian Untuk Tanam Sawit ke Sawit) for replanting activities.		
	Status:	Ok
4.6.4 Criterion 4: Contractor		
4.6.4.1		
Indicator 1: In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.		
Sighted agreement letter on Ramakrishnanrao A/L Engkatesalu (530003237) Bil (585) FGVP (WS) 10/03-02. This agreement letter are signed by both side (company and contractor) and stated that all contractors shall be comply with all relevant regulation. An evidence of minute of meeting on 24 May 2018 discussing about MSPO implementation to contractor and MSPO agreement letter signed by contractor (Syarikat Salu Enterprise) on 5 March 2018 mention that contractor has been informed about MSPO certification, understanding the needs of MSPO certification and always obey with the MSPO requirement. FGV Tembangau 07, MSPO and RSPO Training on 5 April 2018.		
	Status:	Ok

4.6.4.2		
Indicator 2: The management shall provide evidence of agreed contracts with the contractor.		
There was available the sample of document Agreement Ramakrishnarao A/L Engkatesalu (530003237) Bil (585) FGVP (WS) 10/03-02. Between the FGV Tembangau 08 with Ramakrishnarao A/L Engkatesalu There was also observed payment (Voucar Bayaran). FGV Tembangau 03, (Sijil Bayaran Kontrak Kerja Pertanian) Contractor name Junaidi bin Hashim 5300003681. FGV Tembangau 07, (Sijil Bayaran Kontrak Pertanian) contractor name Golden Million Timber Trading. Payment has been made timely according to the contract.		
	Status:	Ok
4.6.4.3		
Indicator 3: The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.		
The management was 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.		
	Status:	Ok
4.6.4.4		
Indicator 4: The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.		
Mechanism of contractor pursuance towards PPE, has carried out through daily field checking and inspection which conducted by clerk listed on document Rekod Pemberian PPE Pekerja/Petugas and Rekod Pemulangan PPE Pekerja/Petugas". For examples on FGV Tembangau 08, Block 10 and Block 11, Tembangau 03, Block 33, 35 and 28 PPEs wear are Safety Helmets and Safety Shoes for General Workers and Harvester and for sprayer safety googles and respirator. For work completion of works there is an evidence of progress report, extension of time (EOT) and work completion form sampled for Golden Million Timber Trading (530002771).		
	Status:	Ok
4.7 PRINCIPLE 7: DEVELOPMENT OF NEW PLANTINGS		
4.7.1 Criterion 1: High biodiversity value		
4.7.1.1		
Indicator 1: Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.1.2		
Indicator 2: No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular <b>Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit</b> 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.		
	Status:	NA
4.7.2 Criterion 2: Peat land		
4.7.2.1		
Indicator 1: New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.3 Criterion 3: Social and Environmental Impact Assessment (SEIA)		
4.7.3.1		
Indicator 1: A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.		
No new planting sighted for this operating unit.		
	Status:	NA



4.7.3.2		
Indicator 2: SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.3.3		
Indicator 3: The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored, and reviewed.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.3.4		
Indicator 4: Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.4 Criterion 4: Soil and topographic information		
4.7.4.1		
Indicator 1: Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.4.2		
Indicator 2: Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.5 Criterion 5: Planting on steep terrain, marginal and fragile soils		
4.7.5.1		
Indicator 1: Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.5.2		
Indicator 2: Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.5.3		
Indicator 3: Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6 Criterion 6: Customary land		
4.7.6.1		
Indicator 1: No new plantings are established on recognised customary land without the <b>owners' free, prior and informed consent</b> , 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.		
	Status:	NA

4.7.6.2 Indicator 2: Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6.3 Indicator 3: Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6.4 Indicator 4: The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6.5 Indicator 5: Identification and assessment of legal and recognised customary rights shall be documented.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6.6 Indicator 6: A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6.7 Indicator 7: The process and outcome of any compensation claims shall be documented and made publicly available.		
No new planting sighted for this operating unit.		
	Status:	NA
4.7.6.8 Indicator 8: Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.		
No new planting sighted for this operating unit.		
	Status:	NA

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	Safety, OSH, and GAP related signages are well implemented in Tembangau 03.
2	The CIP monitoring and associated record maintenance seen well documented in Tembangau 03.
3	The Tembangau 08 has good MSPO filing system that allows easy accessibility.

3.2.2 Identification of Non-conformity at Stage-2 – One (1) major and six (6) minor non-conformities were raised.

NCR No.	: MSPO/Serting Hilir -01/18-P3	Issued by	: Ebnu Holdoon
Date Issued	: 08/06/2018	Time Limit	: 90 days
NC Grade	: Major	Date of Closing	: Before certification decision
Standard Ref. & Requirement	4.5.7.1 Indicator 1: Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.		
<b>Non-Conformance Description&amp; Evidence observed:</b> Based on field verification at Tembangau 7– Blok B20 / B21, it was observed by the audit team that several spot of palm chipped are burnt. Sighted on traces of open burning during post chipping activities at replanting area. Hence, it is against the FGV Policy of Zero Burning established on 1 <sup>st</sup> June 2014 which stated <b>“Tiada Seorangpun Petugas atau Pekerja FGV atau Kontraktor yang Bekerja di Premis FGV Boleh Membenarkan atau Menyebabkan Pembakaran Terbuka Sama Ada Semasa Aktiviti Kerja Tanam Semula, Pembakaran Sampah Domestik di Tapak Premis”</b> . The sampled estate was not able to produce any documented evidences on why, when and who responsible for the violation.			
<b>Root Cause Analysis (filled by organization audited):</b> Kelemahan pihak pengurusan dalam memastikan semua Polisi dipatuhi di tempat kerja atau semasa menjalankan kerja oleh semua pekerja ladang dan kontraktor.			
<b>Correction (filled by organization audited):</b> Penerangan Polisi MSPO Kumpulan FGV kepada semua pekerja dan pihak berkepentingan.			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"><li>● Memberi Surat Larangan Pembakaran Terbuka kepada kontraktor yang melakukan kerja penanaman semula tersebut.</li><li>● Memberi penerangan kepada pekerja ladang dan kontraktor penanaman semula mengenai Polisi Larangan Pembakaran Terbuka FGV.</li></ul>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> FGV Tembangau 7 has submitted the corrective evidence timely: <ul style="list-style-type: none"><li>i) Talks and awareness regarding the policy on “No Open Burning” – collected objective program, full agenda of the program, scope and workers involved. Sighted the training and awareness by the Tembangau 7 assistant managers and Manager dated 27<sup>th</sup> June 2018 related to replanting activities.</li><li>ii) Sighted the warning letter from Jawatankuasa Pandu RSPO Felda / FGV in regards to <b>“No Open Burning”</b> dated 24<sup>th</sup> July 2015 to the respected contractor VNET ENTERPRISE, replanting dated 27<sup>th</sup> June 2018 as per acknowledgement of no open burning at all in any FGV Premises and housing areas.</li><li>iii) Sighted the warning letter from FGV to replanting contractors to Hakimyana Jaya Enterprise dated 27<sup>th</sup> June 2018 regarding no open burning in estates and replanting areas.</li><li>iv) Sighted the warning letter to all FGV managers, estate managers FGVP, estate managers FASSB, Estate manager FTPSB, Felda Managers and Mill Manager FPISB regarding no open burning in all FGV Premises without DOE authorized permission.</li></ul> <p><i>Note: Based on the evidences addressed, it was concluded that the NCR is closed and the effectiveness will be verifying in next assessment.</i></p>			
Verified by	: Mahaswaran Maliyapan		

NCR No.	:	MSPO/Serting Hilir-02/18-P3	Issued by	:	Mahas
Date Issued	:	08/06/2018	Time Limit	:	1 year
NC Grade	:	Minor	Date of Closing	:	Before next ASA
Standard Ref. & Requirement	:	4.1.1.1 Indicator 1: A policy for the implementation of MSPO shall be established.			
Non-Conformance Description& Evidence observed:					
<p>The newly developed Group policy on MSPO should be communicated to internal and external stakeholders as part of implementation process prior to this audit as sighted no evidences the policy been circulated nor communicated to estate management. Aside, briefing the other sustainability policies to workers during muster call to be evidence with attachments of what are the policies been briefed and how does the presenter ensure the workers understand the content of policies.</p> <p>Currently there are 16 sustainability policies which were approved by Mr. Mohammed Emir Mavani Abdullah in 2014. It must be demonstrable on whether the current President &amp; CEO of FGV has reviewed the adequacy of the policies as <b>sampled policy for child labour "Polisi Pekerjaan Kanak-Kanak" which allows children to help in their family own farm,</b> which contradict with audit findings that FGV only employs foreign or local workers whom above 18 years old for their estate operation.</p>					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	<i>WILL BE VERIFIED ON THE NEXT ASSESSMENT</i>			

NCR No.	:	MSPO/Serting Hilir -03/18-P3	Issued by	:	Ebnu Holdoon
Date Issued	:	08/06/2018	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.			
<p>Non-Conformance Description&amp; Evidence observed:</p> <p>It was found that sampled estates were not effectively identified their source of pollutions and below the evidences collected by audit team during site and/or field visits:</p> <ul style="list-style-type: none"> <li>i) Spent filters near the Genset room - not identified as Scheduled Waste - Tembangau 3</li> <li>ii) Spent lubricant container found inside the Genset - not identified as Scheduled Waste item - Tembangau 3</li> <li>iii) Spillage of spent lubricant observed inside the monsoon drain – Tembangau 3</li> <li>iv) Spillage of diesel at diesel tank area. - Tembangau 3</li> <li>v) Spent Paint container are being mixed up with tripled rinsed store – Tembangau 7</li> <li>vi) Spent battery was found at the general store area – Tembangau 7</li> </ul>					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	<b>WILL BE VERIFIED ON THE NEXT ASSESSMENT</b>			



NCR No.	:	MSPO/Serting Hilir -04/18-P3	Issued by	:	Ebnu Holdoon
Date Issued	:	08/06/2018	Time Limit	:	1 year
NC Grade	:	Minor	Date of Closing	:	Before next ASA
Standard Ref. & Requirement	:	<p>4.5.5.1 Indicator 1: The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water).The water management plan may include:</p> <ul style="list-style-type: none"> <li>g) Assessment of water usage and sources of supply.</li> <li>h) Monitoring of outgoing water which may have negative impacts into the natural <b>waterways at a frequency that reflects the estate's current activities.</b></li> <li>i) 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.).</li> <li>j) 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</li> <li>k) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</li> <li>l) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</li> </ul>			
<p>Non-Conformance Description&amp; Evidence observed: Based on biodiversity report dated in 2017 for Tembangau 07, it is known that there is a river (Tembangau River) and the <b>management has established plans in the document titled "Pelan Pengurusan Air tahun 2018". However, the sampled estate not able to demonstrate evidence that a water analysis has been done. Aside, during field visit sighted there isn't any signboard of buffer zone along Tembangau River at block B20/21 of Tembangau 07 Estate.</b></p>					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	<b>WILL BE VERIFIED ON THE NEXT ASSESSMENT</b>			

NCR No.	:	MSPO/Serting Hilir -05/18-P3	Issued by	:	Ebnu Holdoon
Date Issued	:	08/06/2018	Time Limit	:	1 year
NC Grade	:	Minor	Date of Closing	:	Before next ASA
Standard Ref. & Requirement	:	4.5.3.5 Indicator 5: Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses			
Non-Conformance Description& Evidence observed: There is no evidence of implementation of waste management at the sampled estates. Based on the observation at line site & dumping area and interview with workers, the <b>domestic waste management at worker's living quarters</b> of Tembangau 8, 3 and 7 are not according to documented disposal waste procedure.					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	<i>WILL BE VERIFIED ON THE NEXT ASSESSMENT</i>			

NCR No.	:	MSPO/Serting Hilir -06/18-P3	Issued by	:	Mahas
Date Issued	:	08/06/2018	Time Limit	:	1 year
NC Grade	:	Minor	Date of Closing	:	Before next ASA
Standard Ref. & Requirement	:	4.4.1.1 Indicator 1: Social impacts should be identified, and plans are implemented to mitigate the negative impacts and promote the positive ones.			
Non-Conformance Description& Evidence observed: Social Impact Assessment was held on by Plantation Sustainability department from HQ. The assessment done by field interviews (group interviews and one-on-one interviews, consultation with the unit management, site observation and documentation review. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes. Sighted the negative impacts connected to a management plan that all falls within short term such as wild dog's movement at worker's quarters and the action taken was to engage with local veterinary.  However, seen the assessment not effectively assessed on wider scope to include issues such as potential social impact and management plan due to replanting in Tembangau 07 & 08 which has affected monthly wages of field workers, the presence of foreign workers from various countries and the impact to local communities, domestic waste disposal site that sometimes use by surrounding communities. The estate also should give consideration on how the contractor workers has social impact on estate workers.					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	WILL BE VERIFIED ON THE NEXT ASSESSMENT			

NCR No.	:	MSPO/Serting Hilir -07/18-P3	Issued by	:	Mahas
Date Issued	:	08/06/2018	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: In FGVPM Tembangau 07, during field visit to Block 06 [bordering to Planting Jernih-smallholder], Block 16 [bordering to Risda Palong] and Block 20 [Bera Reserved Forest and Ramsar [conservation of wetland]. Boundary markers were seen not visible and some are poorly maintained. The poles are not able to correspond to GPS coordinates in the estate boundary map. Trenches seen with full of fronds and not effectively monitored. There are insufficient records to evidence on why there are only 8 boundary markers were census in 2018 against 241 in 2016. Sighted the boundaries which at Block 20 underwent felling not demarcated properly as seen the clearing activities extended until to the buffer of Hutan Ramsar.					
Root Cause Analysis:					
Corrective Action:					
Preventive Action:					
Assessor Evaluation and Conclusion:					
Verified by	:	<i>WILL BE VERIFIED ON THE NEXT ASSESSMENT</i>			

### 3.2.3 Opportunity for Improvement (OFI)

No	Ref Std.	Descriptions
1	4.4.4.2	Estate management encourage to monitor the PPE storage mechanism especially for Spraying Activities.
2	4.4.4.2	Estate management encourage to continue monitoring the PPE usage especially safety boots among the workers.
3	4.1.3.1	The next meeting to include agendas such the decision on any changes, modification, continuous improvement plan and timeline for the MSPO implementation.
4	4.1.4.1	The CIP to be review and be given consideration on social impacts that resulted from SIA and improvement focusing on the non-conformance resulted from internal audit.

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

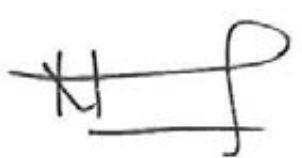

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Gender Committee of FGV Serting Hilir</p> <p>There were positive feedbacks from gender committee chairman of FGV Tembangau 8 for the women staff at both estates. Sighted the respondent from Kelab Kebajikan Daya Budi are having a good response and feedback to the FGV Management. The relationship with the estate and mill managers are good.</p> <p>There is an annual budget given for the committee to run their activities. The Gender Committee had organized some activities, such as cooking that involving female staff along with reciting Yaasin Prayers, aerobic and Zumba and few sport activities.</p> <p>There were several meetings among them to discuss the request from women workers and staff, new amendment of company policies of woman rights, and to discuss any sexual harassment that happen in the company. As far from the interview concern, there is no sexual harassment happen among the female workers and staff.</p> <p>The committee also thanks the FGV management to keep on approving the budget for their activity throughout the years and concerning about the women rights.</p>	<p>The estate and mill management will continue to follow the company policy and support the woman rights.</p>
<p>Contractors of Spraying Tembangau 8</p> <p>A local contractor had been interviewed during the audit. He had been contract with the FGV estate for ten years and through interview process, the payment method, contracting <b>and worker's welfare had been a priority concern of FGV management.</b></p> <p>The method of payment done via 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 is satisfied with FGV Management.</p>	<p>The company will continue to keep a good relation between the contractors and FGV Tembangau 8, 3 and 7 also further engagement will be enhanced from time to time.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
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.	
FGV Foreign Workers Representative (Nepal, Bangladeshi, India and Indonesian) 4 <b>Workers' representative had been interviewed in FGV Ladang Tembangau 8 and 7.</b> An Indian worker, an Indonesian worker, a Bangladeshi worker and a Nepal worker had been interviewed. The Bangladeshi worker had been working for 10 years in the estate and express satisfaction working with the company.  All of them had expressed a good feedback 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 van transporting workers to nearest town during off day and given them a proper housing area to stay during works in the estate. Sighted also the nearby shop for groceries shopping and the basic amenities had been provided by FGV Management.	FGV Management will keep a good relation especially with the foreign workers representative of FGV Tembangau 8, 3 and 7.
Teacher form LKTP Ladang Tembangau 8 Local teacher from nearby school had been interviewed. The school with an approximate of 100 students and 18. The relationship between the teacher and school is good and getting a lot of help from Tembangau 8 estate management. The school had been completed with hostel and 18 students are staying in the hostel. The school mainly provide facilities to local stakeholders such as Orang Asli Pos Iskandar nearby the estate.	FGV Management will keep a good relation with nearby school of LKTP Ladang Tembangau 8 and will continue good cooperation when needed.
There was no feed-back received from NGO and External Stakeholders.	No issues raised

### 3.4 Summary of findings and Recommendation

MAJOR	MINOR	O F I
1 - closed	6	4
<p><i>Recommendation of Certification:</i></p> <p>Due to Major Non- Conformity finding was addressed with objective evidences and closed prior to certification decision, therefore Serting Hilir Complex [estates] is <u>RECOMMENDED</u> for MSPO Part 3 certification.</p>		

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <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><u>Norazam Abdul Hameed</u> 06/06/2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Mahaswaran Maliyapan</u> 26/06/2018</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	:	Round Table 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