

**Malaysian Sustainable Palm Oil Certification**

**MSPO – PART 4 (GENERAL PRINCIPLE FOR PALM OIL MILL)**

Stage-1     Stage-2     Surveillance     Re-Certification

Plantation Management/Owner : Felda Global Ventures Plantation (Malaysia) Sdn Bhd subsidiary of Felda Global Ventures Holdings Bhd.

Mill Name : Serting Hilir Palm Oil Mill

Location : Kilang Sawit Serting Hilir, Peti Surat No. 3, 72120, Bandar Baru Serting, Negeri Sembilan. Malaysia.

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
<b>Main/ST-2</b>	04 <sup>th</sup> June 2018	Mahaswaran Maliyapan (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:
<b>Main/ST-2</b>	<b>18/09/18</b>

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

	<b>TABLE OF CONTENT</b>	
	<b>LOCATION MAPS</b>	
	Figure 1. Location and operation map of palm oil mill	03
<b>1.0</b>	<b>SCOPE OF THE CERTIFICATION ASSESSMENT</b>	
1.1	Assessment Standard Used	03
1.2	Organization Information	03
1.3	Mill and Supply Base(s) Information	03
1.4	Other Certifications	04
<b>2.0</b>	<b>ASSESSMENT PROCESS</b>	
2.1	Certification Body	04
2.2	Assessment Team	04
2.3	Assessment Methodology, Assessment Process and Locations of Assessment	05
2.4	Stakeholder Consultation	05
2.5	Determining Next Assessment	05
<b>3.0</b>	<b>ASSESSMENT FINDINGS</b>	
3.1	Summary of Assessment Report of the MSPO Certification	06-24
3.2	Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	25-29
3.3	Summary of Arising Issues from Stakeholders, Management and Auditor Responses	29-30
3.4	Summary of findings and recommendations	30
<b>4.0</b>	<b>CERTIFIED ORGANIZATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>	
4.1	Formal Signing of Assessment Findings	31
	<b>APPENDICES</b>	
1.	Glossary	32-33

FIGURE

Figure 1. Location Map of Serting Hilir Palm Oil Mill



1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1	Assessment Standard Used		Malaysian Sustainable Palm Oil (MSPO)- MS 2530-4:2013: Part 4: General principles for Palm Oil Mills
1.2	Organization Information		
1.2.1	Company name		Felda Palm Industries Sdn Bhd - subsidiary of 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	Mill Information		
1.3.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude      Longitude
	KKS Serting	Kilang Sawit Serting Hilir, Peti Surat No. 3, 72120, Bandar Baru Serting, Negeri Sembilan. Malaysia.	2° 59'52" N      102° 28'41" E

1.3.2	Forecasted and actual volume of FFB, CPO and PK								
	Projected Volume - past year Sept 2016 to Oct 2017			Actual volumes Jun 2017 to May 2018			Projected volume Jun 2018 to May 2019		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
	-	-	-	276,927	52,034	14,677	163,830	55,308	15,600
	*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	<b>Other Certifications</b>								
	ISO 9001:2008 / 2015			-					
	ISO 14001: 2004 / 2015			-					
	OHSAS 18001:2007			-					
	ISCC			-					
	Others								

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Certification Body</b>
	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	<b>Assessment Team</b>
Main / ST-2	<p><b>Mahaswaran Maliyapan (Lead Auditor) Malaysian.</b> Executive Master in Entrepreneurship Enhancement [Supply Chain Management], Professional Diploma in International Management Practices, Graduate Diploma in Business Administration and Diploma in Mechanical Engineering. Has vast exposure and experience in engineering, quality, 2nd &amp; 3rd party auditing in various industries and owns proven track records of auditing various multinational companies both locally and internationally. Certified Lead Auditor for ISO 9001, 14001, OHSAS 18001, RSPO P&amp;C, RSPO SCCS, RSPO Next and MSPO. Since 2012 trained in agriculture certification programs such as RSPO, MSPO and SCCS and holds role as lead auditor or auditor with several local and overseas certification bodies. He too in Quality Environmental Management System as well the Occupational, Health and Safety auditing.</p> <p><b>Mohd. Hairimi Mohd Ali.</b> Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honours (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> <p><b>Ebnu Holdoon Shawal (Auditor) Malaysian.</b> Graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit including Felda POM and United Plantation as trainee auditor and have total 42-man days following the auditing activities. During this audit he has been assigned to verify the Transparencies and Environmental aspect.</p>

<b>2.3</b>	<b>Assessment Methodology, Assessment Process, and Locations of Assessment</b>
<b>2.3.1</b>	<b>Figure of person days to implement assessment</b>
<b>Main / ST-2</b>	Number of auditors: 3 auditors Number of days for Main/Stage-2 at site: 1 day Number of working days for Main/Stage-2 at site: 3 Working days
<b>2.3.2</b>	<b>Detail process of assessment</b>
<b>Main / ST-2</b>	<p>Mutuagung Lestari Malaysia Sdn. Bhd. [<i>thereafter known as MUTU</i>] has conducted on-site Certification Assessment for Serting Hilir Palm Oil Mill on 4<sup>th</sup> June 2018 by 3 auditors as to assess the compliance of the certification unit against the MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills. The Stage 1 audit which to confirm Serting Hilir POM's readiness for the Stage 2 audit was done on 03/05/17 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>This stage 2 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 Palm Oil Mill was having full production as they were receiving enough crop to start the process during the scheduled time of for the POM visit. This allows the audit team start from the input receiving and then walk through the production process which eliminates the risk of missing certain key aspects.</p> <p><b>The assessment program please find Appendix 2</b></p>
<b>2.3.3</b>	<b>Locations of Assessment</b>
<b>MAIN / ST-2</b>	Kilang Sawit Serting Hilir, Peti Surat No. 3, 72120, Bandar Baru Serting, Negeri Sembilan. Malaysia.
<b>2.4</b>	<b>Stakeholder Consultation</b>
<b>2.4.1</b>	<b>Summary of stakeholder consultation process</b>
<b>MAIN / ST-2</b>	<p>Consultation of stakeholders for Kilang Serting Hilir, 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></li> <li>Consultation meeting and interview with Internal and external; Stakeholder (labour union, Orang Asli and gender committee) on 05 and 06 June 2018</li> <li>Consultation with NGO (Malaysian Nature Society (MNS) Kuala Lumpur, UNION – AMESU, Centre for Environment, Technology and Development Malaysia – CETDEM, National Council of Welfare &amp; Social Development Malaysia – NCWSDM) via email on 31 March 2018</li> </ol> <p>Numbers of input from stakeholders were clarified by Serting Hilir Complex.</p>
<b>2.5</b>	<b>Determining Next Assessment</b>
	The next visit of ASA 1 will be determined one year after this Main / ST-2.



**3.0. ASSESSMENT FINDINGS**

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

MUTU has conducted the main / ST-2 assessment of Serting Hilir Palm Oil Mill - Felda Palm Industries Sdn Bhd operation consisting of one (1) mill. During this assessment, (3) minor non-conformities and (8) opportunities for improvement were identified against MS 2530-4:2013. Further explanation of the non-conformities raised are provided in section 3.5. MUTU found that Serting Hilir Palm Oil Mill – Felda Palm Industries Sdn Bhd complied with the requirements of MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills. Since the audit objectives as mentioned in the audit plan have been achieved and assessment that was resulted with no major non-conformity, therefore the lead auditor **recommends** Serting Hilir Palm Oil Mill for compliance with the MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mills.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>4.1 PRINCIPLE 1 MANAGEMENT COMMITMENT AND RESPONSIBILITY</b>		
<b>4.1.1 Malaysian sustainable palm oil (MSPO) policy</b>		
<b>4.1.1.1 Indicator 1:</b> 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. The mill workers and staff are being regularly briefed on Group Sustainability Policies during daily morning muster call and weekly meeting, sampled for 09/04/18. The mill has 84 workers and 5 executives as at May 2018.</p> <p><u>Minor Non-conformity</u></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 mill 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 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/mill operation.</p>		
	<b>Status:</b>	<b>Minor</b>
<b>4.1.1.2 Indicator 2:</b> The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.		
<p>Group Sustainability Policies sampled for legal compliance requirements that cross verified with objective, target plan and CIP such as to achieve OER 19.6%, KER 5.60%, zero accident, reduction of diesel usage &lt; 0.40L/MT FFB and etc.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.2 Criterion 2: Internal audit:</b>		
<b>4.1.2.1 Indicator 1:</b> Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.		
<p>There is annual “Sustainability” Internal Audit by the PSD [Plantation Sustainability Department] and latest audit was done on 07-12/01/18. The assessment was conducted by Barath and Azwan which resulted with 15 major and 14 minor non-conformities. Seen the assessment covers requirements needed by the sustainability scheme and mill best practices. Among the lapses found were schedule waste management, stakeholder list, training records and OHS plan.</p>		
	<b>Status:</b>	<b>Ok</b>

<b>4.1.2.2 Indicator 2:</b> The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.	
Internal audit procedure [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>Status:</b>	<b>Ok</b>
<b>4.1.2.3 Indicator 3:</b> Report shall be made available to the management for their review.	
The findings from internal audit was responded by the mill management from time to time to the PSD. Sighted there are outstanding issues [legal related] that needed longer time [more than 15 days from closing meeting of internal audit] or issues needed commitment from HQ level. Since the management review for 2018 is planning to be in 3 <sup>rd</sup> quarter, therefore evidence on whether the findings from internal audit were discuss was not available. It will be review by auditor in next assessment. The internal audit findings seen effectively addressed of the root causes with corrective actions plans.	
<b>Status:</b>	<b>Ok</b>
<b>4.1.3 Criterion 3: Management review</b>	
<b>4.1.3.1 Indicator 1:</b> The management shall periodically review the continuous suitability, adequacy, and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.	
Management review meeting was done on 19/02/18 attended by operation & office staff and the mill manager chaired the meeting. Sighted the management review effectively covers internal audit findings from 2017, objectives & targets, reviewed of QMS, EMS & OSH policies, budget management, stakeholder communication, resource management customer satisfaction and production process.	
<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.	
<b>Status:</b>	<b>Obs</b>
<b>4.1.4 Criterion 4: Continual improvement</b>	
<b>4.1.4.1 Indicator 1:</b> The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.	
There are 7 CIPs registered in the FPI/L4/QOHSE-20.8 Pind 0. Sighted the CIPs of 2017 been brought forward to 2018 with reason to maintain legal compliances of environment and safety. The CIP been associated with respective section's quality, environmental and OSH objectives. <b>However, 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.</b>	
<b>Status:</b>	<b>Obs</b>
<b>4.1.4.2 Indicator 2:</b> The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.	
During mill visit seen the mill has no introduction of new technology. However, the mill continuously improving existing operation system for productivity improvement.	
<b>Status:</b>	<b>Ok</b>
<b>4.2 PRINCIPAL 2: TRANSPARENCY</b>	
<b>4.2.1 Criterion 1: Transparency of information and documents relevant to MSPO requirements</b>	
<b>4.2.1.1 Indicator 1:</b> The management shall communicate adequate information to other stakeholders on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.	
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. However, the records seen more on internal stakeholder's housekeeping and maintenance issues.	
<b>Status:</b>	<b>Ok</b>

<b>4.2.1.2 Indicator 2:</b> Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
The information on the publicly available documents such as land title, OHS plan, sustainable policies and CIP seen specifically addressed in page 8 of FGV Sustainability Certification Handbook. This information also been communicated to external stakeholder during annual meeting.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2 Criterion 2: Transparent method of communication and consultation</b>		
<b>4.2.2.1 Indicator 1:</b> Procedures shall be established for consultation and communication with the relevant stakeholders.		
There is a procedure [FGV/ML-1A/L2-Pr12] dated 01/06/16 available for communicating and reporting of EMS, OHS and social issues with relevant stakeholders. Besides, the mill also provides a log book to enable internal / external stakeholders to register their complaints and grievances. As at 01/06/18, there was no comment registered by external party but 1 for internal stakeholder complaint on food pricelist at canteen not properly communicated to workers.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2.2 Indicator 2:</b> The management shall nominate management officials at the operating unit responsible for issues related to Indicator 1 (4.2.2.1).		
Mr. Muhd. Sofie bin Aripin [Asst. Mill Manager] appointed [letter dated on 16/04/18 - approved by mill manager] as the responsible for communication and consultation with the local communities and other interested parties. The appointment letter also clearly indicates the roles and responsibility of the person.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2.3 Indicator 3:</b> A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.		
There are 2 types of stakeholder lists, 1 <sup>st</sup> on the complex level that covers broader scale and 2 <sup>nd</sup> for immediate stakeholder for respective sites. The latest reviewed of immediate stakeholder list consists of government agencies, JKKK and other interested parties. The meeting minutes with stakeholder are effectively documented. The complaint and feedbacks during centralize stakeholder meeting was responded by mill management in the minutes dated 30/05/17. Latest stakeholder list for mill dated on 11/03/18.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3 Criterion 3: Traceability</b>		
<b>4.2.3.1 Indicator 1:</b> The management shall commit itself to implement and maintain the requirements for traceability and shall establish a standard operation procedure for traceability.		
The mill has implemented SOP for Traceability FGVPM-RSPO SCC-3.0, dated 01/12/17 and to provide guideline to establish sustainable supply chain and traceability for FFB, CPO and PK. Sampled weighbridge tickets internal and external FFB suppliers that were cross verified against the computed figures and approved vendor list, no discrepancies found. Traceability from estate to mill is the “Nota Hantaran BTS” that consist of running number, date, weight, and transport details. In the weighbridge station, the MPR system [Mill Performance Report] installed to captured incoming of FFB and outgoing of CPO and PK.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3.2 Indicator 2:</b> The management shall conduct regular inspections on compliance with the established traceability system.		
Internal audit by the sustainability team found includes the traceability processes that covering the 4 indicators in the criterion 3. The assessment is conducted on annual basis. During mill visit, sighted the weighbridge operator able to demonstrate on how the system tracks the FFB input and how does the supply bases register in the “Approved Sustainable Supplier List”.		
	<b>Status:</b>	<b>Ok</b>



<b>4.2.3.3 Indicator 3:</b> The management shall identify and assign suitable employees to implement and maintain the traceability system.	
The person in-charge is the assistant manager, verified “Job Scope” that stated his role on implement and maintain traceability system. The records for traceability [ISCC & SCC training] dated on 01/02/18 to the respective supporting personnel seen maintained.	
<b>Status:</b>	<b>Ok</b>
<b>4.2.3.4 Indicator 4:</b> Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.	
Sampled weighbridge tickets [Jan-May’18] were cross-checked for the delivery of non-certified CPO against the shipping instruction from logistic department. The daily production record [throughput] were reviewed to cross-check against the daily ullage measurement taken every morning. The amount of FFB processed was cross-checked against the amount received. Example, weighbridge tickets include contract number. CPO delivery order weighbridge tickets include contract number.	
<b>Status:</b>	<b>Ok</b>
<b>4.3 PRINCIPLE 3: COMPLIANCE TO LEGAL REQUIREMENTS</b>	
<b>4.3.1 Criterion 1: Regulatory requirements</b>	
<b>4.3.1.1 Indicator 1:</b> All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.	
Below permits and licenses were verified for compliance:	
<ul style="list-style-type: none"> <li>• Verified visit log book from DOSH – no outstanding complaints or findings [last visit dated 03/05/18</li> <li>• MPOB license for FFB, PK, CPO, SPO from 01/04/18 until 31/03/19, (license number 500159804000).</li> <li>• Sighted license Jadual Pematuhan Kilang Sawit Serting No. 004095 for the period of 01/07/17 until 30/06/18 with Capacity Maximum: 60 MT/Hours.</li> <li>• Schedule Form A – Poison Ordinance 1952 to purchase, store and use of Sodium Hydroxide – s/n 003097.</li> <li>• Permit for diesel – 15,000 Liter, 05/04/18 – 04/04/19</li> <li>• <b>The mill management has initiated the Fire Certificate application [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. Sighted an acknowledgement letter from Bomba [JBPM/NS/BKK:700-3/1/7/157(6) which the visit scheduled to be on 10/07/18. Based on the time bound plan for the FPISB, the Serting Hilir POM listed to obtain fire certificate by 2023. [Observation]</b></li> <li>• Water extraction Negeri Sembilan 01/07/17 – 31/12/18 – Akta Air 1920 [Act 418], Sek 7(4) for 600,000.00m<sup>3</sup></li> <li>• <b>As at audit date, the mill has no competent person to conduct schedule waste. Email evidence available that the mill management has submitted 2 names for approval by HQ for the upcoming course [3<sup>rd</sup> Q 2018] for Certified Environmental Professional in Waste Management (CEPSWAM). This is against the Environmental Quality Act 1974 (Act 127), Article 49A. (1) An owner or occupier of a premise shall employ a person who has been certified by the Director General as a competent person to conduct all or any of the following activities (b) the management of schedule wastes. [Minor NC]</b></li> <li>• Certified Environmental professional in the Treatment of Palm Oil Mill Effluent – Pond Processes (CePPOME) No. CePPOME/15104 – Adishahrol bin Shaffiei – 16/02/16.</li> <li>• <b>CEMS monitoring was seen unstable due to distortion and instability of modem [graph not appears on the screen while the mill in operation]. Since this is a requirement from DOE, therefore it should be sorted and a communication to DOE of the error to be documented. Aside, the CCTV for stack emission monitoring was seen intermittently appears in computer screen. [Observation]</b></li> <li>• Certified Environmental Professional in Scrubber Operation [CePSO] Mohd. Lutfi bin Azmy CePSO/170036</li> <li>• Competence person as Charge man - Tomerin bin Sajah [660827-05-5389] PJ-11600044.</li> <li>• Quarterly Return Form as per First Schedule of the EQ (Prescribed Premises) (Crude Palm-Oil) Regulations, 1977 – report to DOE sighted for 1<sup>st</sup> Q 2018 [ref. ASNS(B) 31/152/000/002 – license 000235]. Total CPO produced 13,959.56 MT / total FFB processed 72,490 MT and total water consumed 86,9889 cubic meter(m<sup>3</sup>).</li> <li>• Air emission monitoring for 2017 was done but due to late submission of report by the service provider, DOE has rejected the report and requested the mill to perform a new test. Sighted a letter from DOE on 08/02/18 [ASNST(B)31/152/000/008 Jld 4. Sighted of the new sample taken by external laboratory on 30/05/18.</li> </ul>	

<ul style="list-style-type: none"> <li>Competent person for confined space [AGTES] – Mohd. Lutfi bin Azmy - NW-NCC-AGT-0407-C</li> <li>Sampled competence person for first aid and CPR -by Malaysian Red Crescent [Mohd Shahafizi bin Md hakim – 880611-06-5507]</li> <li>Sampled Steam Engineer Gred 2 – Afzainizam bin Jaafar [120/2005]</li> <li>Authorized Entrant and Standby Person for Confined Space [Zaidi – NW-NCC-AE-R-1716-B] expires 05/12/18</li> <li>Weighbridge calibration – 80MT dated 22/01/18 [B 1361832]</li> <li>Based on Initial Noise Monitoring result – Sterilizer station 85-100dB], Press station [87-91dB], Nut plant [91-96dB], Oil room [87-88dB], Engine room [97-100dB] and Boiler room [87-99dB].</li> <li>Boundary noise test was conducted in 25/10/16, result 61-65dBa during day time and 51-55dBA at night]</li> <li>Annual &amp; Baseline Audiometric Testing done by Niosh 6-13/10/2017 [No. 03-03/02/ms/2017/36] as per required by the Noise Regulation for Workplace 1989, found hearing impairment-profound (23 workers) STS [3], hearing loss [49] and normal [11]. The re-test is currently pending for approval from HQ as the mill wanted the re-test to be carry out by the previous service provider [Niosh] but the HQ wanted the panel clinic to perform.</li> </ul>	<b>Status:</b>	<b>Minor</b>
<b>4.3.1.2 Indicator 2:</b> The management shall list all relevant laws related to their operations in a legal requirement register.		
There is a “Legal & Requirements Register” established by the PSD [Plantation Sustainable Department] which verified for compliance by the Mill’s Asst. Manager & Manager. Seen a compliance checklist established for monitoring of environment, safety, and health, etc. Sighted the list of compliance updated and circulated to mill by the sustainability team from HQ.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.1.3 Indicator 3:</b> The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.		
There is annual RSPO Internal Consultative Assessment by the PSD. Seen the assessment covers requirements such as Fire Services (Fire Certificate) Regulations 2001, Occupational Safety and health Act 1994, Environmental Quality Act 1974, Factories, and Machinery (Safety, Health, and Welfare), Factories and Machinery (Noise Exposure) Regulations 1989, etc.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.1.4 Indicator 4:</b> The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.		
The identification of changes is the responsibility of PSD in HQ whom shall notify in written to the mill representatives of the changes which normally the assistant manager. It then the PIC to delegate the information within the related mill 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. 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.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.2 Criterion 2: Land use rights</b>		
<b>4.3.2.1 Indicator 1:</b> The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.		
This mill was commissioned on 1987 with a processing capacity of 54MT/Hr. – an average of 340MT/year. The mill receives 5% of external crops, 20% FTP, 25% Felda, 50% from FGVPM owned estates and others from smallholders. The POM is located on the Felda Serting Hilir 05.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.2.2 Indicator 2:</b> The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.		
Sighted agreement between Felda Serting Hilir 05 and FPISB on 25/11/96 regarding to mill area approximately 41.44 Ha. This agreement valid since January 1 <sup>st</sup> , 1994 until December 31 <sup>st</sup> , 2023.		
	<b>Status:</b>	<b>Ok</b>

<b>4.3.2.3 Indicator 3:</b> Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.		
The mill perimeter found fenced from illegal entrance by outsiders. The mill has no plan of extension of operational area.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.2.4 Indicator 4:</b> Where there are, or have been disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).		
There are no communities nor individual has any implications for the legal status of their land.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.3 Criterion 3: Customary land rights</b>		
<b>4.3.3.1 Indicator 1:</b> Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.		
There are no communities nor individual has any implications for the legal status of their land.		
	<b>Status:</b>	<b>NA</b>
<b>4.3.3.2 Indicator 2:</b> Maps of an appropriate scale showing extent of recognized customary rights shall be made available.		
There was no traces of communities nor individual implications for the legal status of their land or have been disputes.		
	<b>Status:</b>	<b>NA</b>
<b>4.3.3.3 Indicator 3:</b> Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.		
No negotiation process involved.		
	<b>Status:</b>	<b>NA</b>
<b>4.4 PRINCIPLE 4 : SOCIAL RESPONSIBILITY, HEALTH, SAFETY AND EMPLOYMENT CONDITION</b>		
<b>4.4.1 Criterion 1: Social impact assessment (SIA)</b>		
<b>4.4.1.1 Indicator 1:</b> Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.		
<p>Procedure FGV/ML-1A/L2-Pr21 - In- House Social Impact Assessment (SIA) dated 01/06/16. Latest SIA done on 09/01/18. The purpose of this study is to measure and to understand both positive and negative social impacts resulting from the mill operation or activities. Management had developed management plan to promote positive impacts and mitigate negative impacts resulting from the feedbacks received. Sighted the SIA have sampled various categories such as 6 from mill administration, 1 contractor, 4 from neighboring plantations and a canteen operator. The SIA is plan to be review annually as per required in the SOP. The negative impact categorized as emergency [to be respond within 6 months], short term [to be respond within 1 year], midterm [to be respond within 6 months – 1 year] and long term [to be respond within 2 years].</p> <p>Sighted the recent SIA conducted by the Barath from PSD on 12/03/18 through formal interview, tele-conversation and visit. Based on the report a mixed sampled of stakeholders were selected, such as 12 mill workers and a representative from contractor, DOSH, DOE, canteen operator, Felsco security and settlers. Among the negative issues received were from School teacher complaint on dark smoke from mill, road towards mill slippery may causes accident, wild bushes around worker’s quarters, noise generation from mill being heard by neighboring village. Appropriate measures are in place by mill management in responding to the negative comments.</p>		
	<b>Status:</b>	<b>Ok</b>

<b>4.4.2 Criterion 2: Complaints and grievances</b>		
<b>4.4.2.1 Indicator 1:</b> A system for dealing with complaints and grievances shall be established and documented.		
The mill is maintaining a SOP No. FGV/ML-1A/L2-Pr12 for Communication/Engagement/Negotiation as the consultation and communication procedures to relevant stakeholders. The SOP has outlined the context of request & response, consultation & communication, and complaint & grievance. There are evidences available that the SOP been communicated through training programs. Seen the Stakeholders Log Book for mill and at during verification time, no negative complaints made by internal/external stakeholders. Its more to request and response from workers, such as request to repair the roofing - leaking.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.2 Indicator 2:</b> The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.		
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.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.3 Indicator 3:</b> A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints		
Seen there is a complaint box affixed at entrance to the office. There are empty forms attached to the box. The admin staff will collect any filled forms on daily basis.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.4 Indicator 4:</b> Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.		
As per interviewed with stakeholders for external communication, the management takes the effort to give training during annual stakeholder meetings [189 participants attended the recent meeting]. 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 which they acknowledged circulation of memo received.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.5 Indicator 5:</b> Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.		
Seen the internal and external stakeholders log book. At the time of verification, no negative complaints recorded in last 24 months. Request and response from them for household maintenance which the mill management responded timely.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.3 Criterion 3: Commitment to contribute to local sustainable development</b>		
<b>4.4.3.1 Indicator 1:</b> Palm oil millers should contribute to local development in consultation with the local communities. Where the mill is an integral part of a plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.		
There was no significant contribution either monetary nor infrastructure by the mill for the local's sustainable development. This is possibly due to the location of the mill 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. However, sighted the mill management has contributed financial assistance to their workers whom were victims of flood.		
	<b>Status:</b>	<b>Ok</b>

**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.

An occupational safety and health (OSH) policy for KS Seriting Complex has issued by “Ketua Pegawai Eksekutif” Felda Palm Industries Sdn Bhd Mohd Saodi Husin (Pindaan (10) 20 November 2017. The policy declared nine points which mentioned that the FGV has committed to comply with all relevant safety, health and environment laws and regulations (OSHA Act 1994). In order to achieve safe working environment, mill management has providing training and socialization which aims to maintain good competency. This policy is available in Bahasa. OSH management plan is presented in document “Perancangan Kursus Mengikut Keperluan Perundangan KS Seriting Hilir 2018”. The program has consist of 6 main program, for example hearing conservation, CPR Training, Fire Drill, Policy, Heavy Machineries Handling etc. Those program has delivered to contractors and workers, and There is an evidence of training records for each employees. During field observation dated 4 June 2018, it was found that PPE for workers such as used safety shoes, rubber gloves, ear plug were are in good condition for each workers.

**Status:**

**Ok**

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

- a) A safety and health policy, which is communicated and implemented.
- b) The risks of all operations shall be assessed and documented.
- c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:
  - i) all employees involved are adequately trained on safe working practices; and
  - ii) all precautions attached to products should be properly observed and applied.
- d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).
- e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
- f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.
- g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.
- h) Accident and emergency procedures shall exist, and instructions shall be clearly understood by all employees.
- i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.
- j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals

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 latest for Fire Drill on 23 March 2018, Safety Training for Oil Room and Sterilizer Compact Modular Control CMC) on 16 March 2018, Identification, Handling and Storage of Hazardous Chemical on 5 January 2018, Labelling, Handling, Storage, Transfer and Disposal Schedule Waste 3 January 2018. Socialization of OSH was confirmed during observation and interview during the field visit.

KKS Seriting 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.



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 Minda Teknik Ent. 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 PPE issuance for each operation workers and worker mentioned that all PPE's were provided and could be replaced by the Mill Management when broken or improperly used. This is also conformed through review on PPE delivery records.

Kilang Sawit Seriting Hilir has appointed OSHA Committee of Kilang Sawit Seriting Hilir latest meeting on 21 May 2018 consist of Chairman, 8 representative form employer, 5 representatives from workers, 1 union representative. Accident of emergency procedure 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 Kilang Sawit Seriting Hilir for year 2017 – 2018 head by Md Said bin Wahab. 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.

Kilang Sawit Seriting Hilir has occupational first aid officer, certified by Malaysian Red Crescent, Hairul Azlie bin Samsudin (1) 8714 valid until 11 October 2020 and Mohd Shahfizi bin Mohd Hakim (1) 8715 valid until 11 October 2020. Workers were equipped with portable first aid kit box which consist of 24 items. Monitoring record of first aid equipment items was available. All 6 first aid kit monitoring record 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 April 2017 2 accident recorded.

**Based on the inspection at Electrical Room there is first aid kit available but inventory book (Buku Rekod Penggunaan & Pemeriksaan Peti Pertolongan Cemas Electrical) were not updated. Latest on 2017 - (Observation).**

	<b>Status:</b>	<b>Obs</b>
<b>4.4.5 Criterion 5: Employment conditions</b>		
<b>4.4.5.1 Indicator 1:</b> The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.		
A Human Right Policy (Polisi Hak Asasi Manusia) established and displayed at the office and worker's quarters. Signed by Mohamed Emir Mavani Abdullah CEO FGV on 01 June 2014. There is an evidence of gender committee Meeting (Mesyuarat Jawatankuasa Gender) for Kilang Sawit Seriting Hilir on 22 March 2018. The "Human Right Policy" has incorporated the company's standing on 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. The policy is displayed at the workers quarters and office.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.2 Indicator 2:</b> 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, 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 mill operation. They are happy with the way the management treat them.		
	<b>Status:</b>	<b>Ok</b>

<p><b>4.4.5.3 Indicator 3:</b> Management shall ensure that employees’ pay, and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p>		
<p>there is a clear statement on the contract (Tawaran Jawatan Pekerja AM Felda Global Ventures Plantation (M) Sdn Bhd) that been signed by the workers according to hours of works, overtime, public holiday, work on a paid holiday, annual leave, maternity leave, compassionate leave, sick leave, hospitalization, occupational safety and health, accommodation, absenteeism, and dismissal. The contract is made in Malaysian, based on the interview workers are understand the contract and aware about the contract conditions. Kilang Sawit Serting Hilir an evidence of pay slip for Kilang Sawit Serting Hilir Abdul Rahman bin Zainon RM 2,988.46, Herman bin Marinon 2,914.80, and Ros Alif bin Abd Rani RM 1,788.91 latest on May 2018. Those workers on approved leave sighted with minimum wage of RM1000/- per month. Sighted the approval letter dated 26/04/16 for “Pay Deduction for Water – RM 4. As for Electricity – RM 6 in accordance to Sek 24, Act 1955 and cross verified the worker’s payslip that deduction on electricity and water been made appropriately.</p>		
	<b>Status:</b>	<b>Ok</b>
<p><b>4.4.5.4 Indicator 4:</b> 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>Sighted the employee’s contractor payslip and agreement: Agreement: sighted contract agreement between FGV with Ros Alif bin Abdul Rani, and Herman bin Marinon. As per agreement RM 1000 basic salary. Mill does not employ any contract workers. Interview with contractors revealed their workers are local [driver] as loading of FFB done by estate workers.</p>		
	<b>Status:</b>	<b>Ok</b>
<p><b>4.4.5.5 Indicator 5:</b> The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p>		
<p>There is a list of employees [100% local], for FPISB Kilang Sawit Serting Hilir Senarai Kedudukan Petugas latest on 1 May 2018. 89 Malaysian workers include the number, workers number, workers name, position, and id number. 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>		
	<b>Status:</b>	<b>Ok</b>
<p><b>4.4.5.6 Indicator 6:</b> All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p>		
<p>An evidence of employment contracts: Tawaran Jawatan Pekerja Am Felda Global Ventures Plantations (M) Sdn Bhd. All workers are provided with the copy of the agreement ant the original is kept in the personal file by Admin Clerk in the Mill Office. Contract document for local has been verified and foreign workers at mill operation</p>		
	<b>Status:</b>	<b>Ok</b>
<p><b>4.4.5.7 Indicator 7:</b> The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</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 Social &amp; Humanity Management Policy stated that “Safeguard our operations from employing forced labour and child labour to ensuring that they are socially beneficial and do not infringe on basic human’s rights, such as recognize the right of their employees. Pay slip of sampled workers have been verified and there is an evidence of normal days’ overtime and holiday pay. An evidence of Kilang Sawit Serting there is a complaint form and books available. Latest complaint has been resolved and documented and there is an evidence of local contribution made by the POM management to the local communities.</p>		
	<b>Status:</b>	<b>Ok</b>

<b>4.4.5.8 Indicator 8:</b> The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.		
The working hours and breaks for the workers in the mill had complied with legal regulations. Sighted the pay slip for the workers that stated the overtime of the workers on daily works, overtime on holiday works, and overtime on public holiday. Based on the agreement made by the mill and workers, stated that “you may work overtime, and this is subject to approval from manager. Overtime interpreted as “any work performed after normal working hours”, the worker will be paid based on applicable rates in the employment Act 1955(EA). Sighted Perjanjian Bersama Antara Felde Palm Industries Sdn. Bhd & Kesatuan Pekerja-Pekerja PFISB Semenanjung (01/01/ – 30/12/18) referencing to Artikel 21 – Waktu Bekerja and Artikel 22 – Bekerja Lebih Masa.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.9 Indicator 9:</b> Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.		
An evidence of pay slip for Kilang Sawit Seriting Hilir Abdul Rahman bin Zainon RM 2,988.46, Herman bin Marinon 2,914.80, and Ros Alif bin Abd Rani RM 1,788.91 latest on May 2018. Pay slip of sampled workers have been verified. Based on the document observation, sighted the payment on minimum wages had been done in accordance with national law and regulation.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.10 Indicator 10:</b> Other forms of social benefits should be offered by the employer to employees, their families, or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.		
Sighted from the pay slip, bonus pay for working during holidays and weekend, water supply to the housing area, medical for the workers [include medical examination at qualified hospital or medical assistant made by the mill, free accommodation for the workers, festival token for the workers (Hari Raya, Deepavali), foreign workers compensation scheme (FWCS), bearing the cost of return to own country in the event death, bearing the cost of return back to the country once the fixed term expired, 13 days annual leave and transportation and PPE Provided by the management.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.11 Indicator 11:</b> In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.		
Based on field visit and interview 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 for its workers, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). Foreign workers are housed according to their ethnicity and religious beliefs and have adequate beds, clean running tap water, kitchen, and toilet facility. Workers are also provided with basic facilities such as bedsheet, pillows, pillowcases etc. for their living convenience.		
The power source comes from government (TNB); the water source is from SAINS [Syarikat Air Negeri Sembilan Sdn Bhd]. Based on the site visit, mill workers are placed in a centralized compound with estate workers. Sighted from the visit adequate basic amenities such as electricity and clean water supply from SAINS [Negeri Sembilan state government-linked company responsible for water supply services in Negeri Sembilan]. The maintenance of the house had been done as a request basis and domestic waste had been collected twice a week. There is also nearby shop for the workers and staff to shop on groceries.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.5.12 Indicator 12:</b> The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.		
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 Kilang Sawit Seriting Hilir. There is an evidence latest of gender committee meeting.		

<p>The company has a manual on implementation of the gender policy that provides guidelines to the specific components which includes understanding and recognition of rights and background of an issue, details and specific complaints and grievance procedure to address issues within gender and guidelines on the roles and responsibilities of management in supporting the initiatives and activities of the gender committee.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.4.5.13 Indicator 13:</b> The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p>		
<p>There is a policy to give a freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining (Polisi Hak Kebebasan Bersuara &amp; Menganggotai Kesatuan 01 June 2016). An evidence of Workers Welfare Committee meeting (Kesatuan Pekerja FPI Cawangan Kilang Sawit Seriting Hilir) latest on 3 April 2018. There is a policy (Polisi Hak Kebebasan Bersuara &amp; 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.</p> <p>Based on the interview with POM workers, 4 persons (Amzarul Amsyar, Mohd Shafizi, Mohamad Maszlee and Mohamad Taufik), they 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. A worker’s union established at Kilang Sawit Seriting Hilir (Kesatuan Pekerja Pekerja FPI Cawangan Kilang Sawit Seriting Hilir), Mr. Kamarul Hisham bin Sani. Latest meeting is on 3 April 2018.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.4.5.14 Indicator 14:</b> Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.</p>		
<p>There is a child labour policy (Polisi Larangan Buruh Kanak-Kanak) to prevent individual under 18 years old working at the premise based on the Malaysian Law signed by Mohamed Emir Mavani Abdullah CEO FGV 01 June 2014. There is a list of employees for FPISB Kilang Sawit Seriting Hilir Senarai Kedudukan Petugas latest on 1 May 2018. There is documented evidence that minimum age requirement is met. Random checks of staff, local and foreign workers’ employment contracts, and personal details as well as passports of foreign workers at the mill demonstrate compliance to the minimum age requirement of Malaysia, i.e. 18 years.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.4.6 Criterion 6: Training and competency</b></p>		
<p><b>4.4.6.1 Indicator 1:</b> All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.</p>		
<p>POM management unit has an annual training program for employees and contractor. For example, training subject program for Year 2018 are training on operational training (boiler), chemical handling, environment, and safety policy, first aid, sustainable palm oil, supply chain, fire drill, scheduled waste management, HIRADC and hearing conservation programme. Evidence of training program realization is presented as follows, for example, Fire drill Training on 23 March 2018 and Safety Training for oil room and sterilizer on 16 March 2018.</p> <p>The trainings mentioned evidenced with attendance list, picture documentation. Furthermore, based on interview with Operators in Effluent Treatment Plant, main Laboratory, Workshop, Engine Room, Boiler Stations, and Processing Stations, 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.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.4.6.2 Indicator 2:</b> Training needs of individual employees shall be identified prior to the planning and implementation of the training programme in order to provide the specific skill and competency required to all employees based on their job description.</p>		
<p>Identification needs analysis of specific skills and competency for individual employees is presented in document annual training programme 2018, For example, implemented for fire drill which conducted on August 21 March 2018 attended by 46 participants and identification handling and storage of hazardous chemicals on 5 January 2018, attended by 6 participants.</p>		
<b>Status:</b>		<b>Ok</b>



<b>4.4.6.3 Indicator 3:</b> 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		
<p>The procedure manual [DOC NO. FPI/L2/QOHSE-1.0] titled Quality Planning, Hazard Identification, Risk Assessment, Determining Control and Environmental Aspects was prepared by mill manager and verified by Regional Executive (QOHSEMR HQ). Training Plan for each individuals according to their job matrix are scheduled for 2018, sampled:</p> <ul style="list-style-type: none"> <li>• For WWTP operator – Chemical Handling, Effluent Operation, Oil Spill and Schedule Waste</li> <li>• Workshop staff – Working at Height, Hearing Conservation, Fire Drill, OHSAS Awareness</li> </ul>		
<b>Status:</b>		<b>Ok</b>
<b>4.5 PRINCIPLE 5: ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY AND ECOSYSTEM SERVICES</b>		
<b>4.5.1 Criterion 1: Environmental management plan</b>		
<b>4.5.1.1 Indicator 1:</b> An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.		
<p>FGV KKS Serting Hilir had updated an Environmental Aspect and Impact Register for year 2018. Relevant processes covered in the aspect and impact assessment. Sighted the form in form of Aspect and Impact environment and impact assessment for, FPI/L4/QOHSE – 1.7 amendment no. 2 that comprise all the workstations such as shredder and bunch press, weighbridge, sterilizer, crane threshing and workshop. The mill had developed a manual procedure regarding preparation of facing emergency (emergency preparedness and responses)-no document FPI / L2 QOHSE potential emergency classified into emergency potential, inspection manual, frequency and peoples in charge of the emergency situation.</p> <p>Based on the Aspect Impact sighted the identification of current practices by the mill, developed and implemented within comprehensive action plan. e.g. : process – Biogas → gas leakage in reactor tank / sulphite leakage in scrubber → operator shift A → Type 6 and 7 → score of 14 and 11→ usage discharge / 50kg/day → controlling gas intake meanwhile shutting down all the valve into reactor tank → training for the staff facing emergency situation.</p>		
<b>Status:</b>		<b>Ok</b>
<b>4.5.1.2 Indicator 2:</b> The environmental management plan shall cover the following:		
<ul style="list-style-type: none"> <li>a) An environmental policy and objectives –</li> <li>b) The aspects and impacts analysis of all operations.</li> </ul>		
<p>The company had made a procedure by FGV document number FGV/ML-1A/L2 – Pr. 1 issued number effective date on 1<sup>st</sup> June 2016 that include scope, definition, procedure of identification aspect and impact of environment, identification and assessment of aspect and impact environment, and registration of aspect impact environment. Sighted the procedure of identification environment aspect impact, monitoring of aspect impact and environment. Sighted the aspect impact identification had been made into the form that comprise on activity, product/ service → type of operation → input including water , energy resources, → volume discharge → output to land , water, and air → impact including past and potential incidence → evaluation criteria : legal, scale, severity, probability , change, damage, interested parties, public , total score , significance effect. Sighted the identification of Environmental Aspect and evaluation of Significance form no FPI/L4/QOHSE 1.7 amendment 1.</p>		
<b>Status:</b>		<b>Ok</b>
<b>4.5.1.3 Indicator 3:</b> An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.		
<p>Monitoring and measuring performed for management program on regular basis. Monitoring report for final discharge point BOD reading observed for year 2017 and updated. All BOD &amp; SS results showed within permissible limit. Action plan for mill reviewed and the progress was in line with planning. Sighted at the mill environmental management plan in place and been reviewed yearly referring to report of aspect impact through waste disposal. RSPO 2017 criteria 5.1/5.3/5.6 – dated 13 November 2017 – refer table 4.2 management plan to reduce the impact on environment through the mill activities. e.g.: soil pollution. Sighted the method of process aspect impact on environment identification by the management unit documented in Lampiran 4: Criteria Aspect impact that will monitor the frequency of incident, severity and risk assessment by the management unit.</p>		
<b>Status:</b>		<b>Ok</b>



<b>4.5.1.4 Indicator 4:</b> A programme to promote the positive impacts should be included in the continual improvement plan.	
Sighted the continual improvement plan on Borang Objektif Kualiti Keselamatan Kesihatan Pekerjaan dan Alam Sekitar, number FPI L4/QOHSE – 3.1 Pind. 0 the include in objective statement, such as to achieve BOD below 100 mg/l and suspended solids below 250 mg/l, water usage below 1.20 Mt / tan FFB and increase awareness amongst the workers. The mill had developed a manual procedure regarding preparedness of facing emergency (emergency preparedness and responses)-document: FPI / L2 QOHSE potential emergency classified into potential emergency, manual inspection, frequency and person in charge:	
<ul style="list-style-type: none"> <li>i) Effluent discharge into water course ,bund pond leakage, and water pipe effluent leaked – daily inspection and monitoring of effluent pond → laboratory</li> <li>ii) Overflow in diesel storage, storage of used lubricating oils, lubricant stores - checks and notes in logs - once a month - foreman, clerk chief</li> <li>iii) Spill overflow in CPO storage - test of thickness tank storage - once every 3 years by staff</li> <li>iv) Overflow of anaerobic digester tensile - tensile thickness test - once a year – Assistant manager</li> </ul>	
<b>Status:</b>	<b>Ok</b>
<b>4.5.1.5 Indicator 5:</b> An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives and management plans and are working towards achieving the objectives.	
Training programs for officers / contractors for period 2018 such as technical and OHS training for loading ramp workers, Sterilizer workers, press workers, kernel workers, oil refineries, mechanical, and others; SCCS training for Mill workers, RSPO awareness training, environmental training, and others. Training records for mill for the period 2017-2018 such as; training and socialization of RSPO policy, Introduction for Foreign workers, chemical training, training the poison ban in buffer zone area, OHS training and others.	
<b>Status:</b>	<b>Ok</b>
<b>4.5.1.6 Indicator 6:</b> Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.	
Sighted the environmental meeting has been done on 5 <sup>th</sup> March 2018, minutes meeting with head department of environmental. Sighted the meeting had been done together with safety meeting, maintenance of mill operation, safety on the mill operation. On the other hands the mill workers had been advised to clean the area, waste collection as per schedule, black smoke emission under Ringleman chart 2, condition on BOD under control in the mill and effluent pond bund well-constructed. Sighted the meeting regarding biogas activity and the concern of surrounding environment. Sighted the action had been taken with person in charge of the activities.	
<b>Status:</b>	<b>Ok</b>
<b>4.5.2 Criterion 2: Efficiency of energy use and use of renewable energy</b>	
<b>4.5.2.1 Indicator 1:</b> 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 mill is 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 on Metric ton year 2017 that include data form:	
<ul style="list-style-type: none"> <li>1) January – December = total of FFB 294,350.00</li> <li>2) Data from January – December: 2050.5, 2053.5, 3427.5, 3922.5, 4584, 3570, 4011, 4059, 3798, 4230, 4083, 4363.5, = total 4412.5 = 15% fiber</li> <li>3) Data from January December 2017 -: 956.9, 958.3, 1599.5, 1830.5, 2139.2, 1666, 1871.8, 1894.2, 1772.4, 1974, 1905.4, 20356.3, = total 20604/5 = 7%</li> </ul>	
Sighted record diesel for the mill form month January to march = 6,891.00 liters, 5990.00 liters, 5877.00 liters, 6273.00 liters.	
<b>Status:</b>	<b>Ok</b>

<b>4.5.2.2 Indicator 2: Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.</b>	
Sighted the shell and fibre form month of January until May 2018 comprise into dates, BTS process, shell usage, fibre usage. Sighted the records on fossil fuels optimize the renewable energy – by using biogas tank – 3 anaerobic tanks. Sighted the record on 2017 CPO: 55,295.79 MT/yr.	
<ul style="list-style-type: none"> <li>• PK 2017: 15,606.82 MT/yr / PKS extraction = 13,245.75 MT/yr.</li> <li>• PKS usage on electric generator = 10,793.53 MT/yr.</li> <li>• POME extraction = 114,717 MT/yr</li> <li>• POME to Anaerobic POND = 168,480 MT/yr</li> <li>• POME to Methane Capture = 1372,562 MT/yr</li> <li>• Electric usage = 5793135 kwh/ yr</li> <li>• Diesel usage = 198,958.00 liters / year</li> <li>• EFB extraction = 80, 808.75 MT/yr</li> <li>• Total EFB send to the estate = 55,146.91 MT/yr</li> </ul>	
<b>Status:</b>	<b>Ok</b>
<b>4.5.2.3 Indicator 3: The use of renewable energy should be applied where possible.</b>	
Biogas had been installed in KKS Serting Hilir and application of methane gas been utilized for FGV boiler operation and National grid supply. FGV Serting Hilir had developed the Biogas Plan = biogas plan and effluent layout as per details:	
<ul style="list-style-type: none"> <li>i) Mill → cooling pond → mixing pond → 3 open tank → 3 closed tank →</li> <li>ii) Open tank to facultative A and B → algae 1, algae 2, algae 3, algae 4, algae 5 , algae 6 → final discharge</li> <li>iii) Closed tank → bio scrubber → chiller → control room → substation → engine room and → TNB national grid</li> </ul>	
<b>Status:</b>	<b>Ok</b>
<b>4.5.3 Criterion 3: Waste management and disposal</b>	
<b>4.5.3.1 Indicator 1: All waste products and sources of pollution shall be identified and documented.</b>	
Sighted the identification of source and type of scheduled waste in the mill and non-scheduled waste classified as followed: Scheduled waste – operation in mill [PPE – land, air water pollution, spent chemical container / spent paint container, spent hydraulic / filter, lamp and electronic waste, battery – from vehicles and mill and electronic waste. The non-Scheduled waste, such as tire, scrap iron, wood, paper / plastic glass/ cotton rags/ aluminum and domestic waste. Sighted the registry of waste being notified to DOE on fifth schedule through ESWIS System dated April 2018 – latest notification of Schedule waste:	
<ul style="list-style-type: none"> <li>i) SW 305 – used oil A – balance = 0.8</li> <li>ii) SW 306 – used oil B - balance 0.000</li> <li>iii) SW 410 – cotton rags – balance 0.000</li> <li>iv) Sighted the notification had been updated on 11<sup>th</sup> April 2018 by Store clerk Mr. Mohd Sofic</li> </ul>	
<p>Not all waste products and sources of pollution had been identified and documented. Based on the document verification and observation at KKS Serting Hilir, it was found that:</p> <ul style="list-style-type: none"> <li>1. Spent Isopropanol Alcohol, and Hexane used in the laboratory of the mill are not identified as scheduled waste item</li> <li>2. Spent filters found at the scrap iron and not identified as scheduled waste</li> <li>3. Spent lubricant and hydraulic oil are not classified according to Scheduled waste regulation</li> <li>4. Empty lubricant drums were found at scrap iron area and not identified as Scheduled Waste</li> </ul>	
Consideration for KKS Serting Hilir to Improve the labelling for Scheduled waste item at Scheduled waste store.[Obs]	
<b>Status:</b>	<b>Minor</b>

<p><b>4.5.3.2 Indicator 2:</b> A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p>		
<p>Waste management program observed with disposal of scheduled waste to licensed collector and proper scheduled waste store had been made in waste management plan of mill. Sighted the source of pollution from mill activities : tyres → used steel → paper , clothes, aluminium → electronic waste → domestic waste → action plan. There is no evidence of implementation waste management at the management unit. Based on the observation at KKS Serting Hilir, it was observed that domestic waste management in Housing area are in according to disposal waste procedure</p>		
<b>Status: NCR</b>		<b>Ok</b>
<p><b>4.5.3.3 Indicator 3:</b> The palm oil mill 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. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.</p>		
<p>Sighted the mill SOP regarding the schedule waste “ Procedure Pengendalian Bahan Buangan Terjadual” reference FPI – PK -106 dated 4<sup>th</sup> April 2017 that include objective, scope of procedure, responsibility, reference, procedure, handling, and disposal of scheduled waste (empty drums), handling of scheduled waste using pump and the storage area of scheduled waste as per DG requirement.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.5.3.4 Indicator 4:</b> Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p>		
<p>Domestic waste disposal for KKS Serting Hilir being disposed at designated estate premises [Serting Hilir 5]. Based on the field observation, the management of waste had been done and collected and date of opening the dumping site and closing of it are available. Sighted also the signboard of no burning available at the dumping site.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.5.4 Criterion 4: Reduction of pollution and emission including greenhouse gas</b></p>		
<p><b>4.5.4.1 Indicator 1:</b> An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p>		
<p>Mill management unit has identified GHG emission sources, as well as its mitigation plan which issued by manager, presented as follows:</p> <p><u>Mitigation Plan:</u> monitoring, recording and analysis of diesel consumption for FFB transportation, reduction of chemical uses (liter), domestic waste management on monthly bases, waste separation (organic and non-organic) and no burning in waste management, paperless implementation (rim/month), recording on recycle (kg/month) and training to the respective worker.</p> <p><u>Mill Sources:</u> Boiler, uses of electricity, uses of Diesel, uses of Lubricant, final discharge, effluent treatment plant, composting and empty fruit bunches.</p> <p><u>Mitigation:</u> Monitoring and control of emission through maintenance, reduction of electricity consumption, reduction of diesel consumption, reduction of lubricant consumption, land application and EFB mulching.</p>		
<b>Status:</b>		<b>Ok</b>
<p><b>4.5.4.2 Indicator 2:</b> An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p>		
<p>The company had made a procedure by FGV document number FGV/ML-1A/L2 – Pr. 1 issued number effective date on 1<sup>st</sup> June 2016 that include scope, definition, procedure of identification aspect and impact of environment, identification and assessment of aspect and impact environment, and registration of aspect impact environment. Sighted the procedure of identification environment aspect impact , monitoring of aspect impact and environment - dated: 2<sup>nd</sup> January 2018 – verified by Manger → identification aspect impact → chemical usage, natural resource utilization → normal → working procedure Manual operation of palm oil sustainability → severe / non-severe – action by and suggestion of action → assistant manager/ supply clerk/ HEP Clerk.</p>		
<b>Status:</b>		<b>Ok</b>

<p><b>4.5.4.3 Indicator 3:</b> Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p>	
<p>Sighted the permit of effluent discharge licensed number 004973 validity from 1<sup>st</sup> July 2017 until 30<sup>th</sup> June 2018 for Premise KKS Serting Hilir at Bandar Seri Jempol. Based on the letter dated 30<sup>th</sup> June 2017 that stressed out on requirement of boiler from 400g/m3 increase to 150g/m3 started on 4<sup>th</sup> June 2014.</p> <p>Sighted the license from Department of environmental Malaysia regarding the plan “General Site Plan-New Flow Line, No. Plan PMT/ED688/F Serting /2006/SP01_2 dated 26<sup>th</sup> June 2008, the final discharge to water course. Based on the result analysis of KKS Serting Hilir dated 2<sup>nd</sup> March 2018, 21<sup>st</sup> February 2018, and 17<sup>th</sup> January 2018, as per details:</p> <ul style="list-style-type: none"> <li>• No. 1138/2018 → 01/18 → 21<sup>st</sup> Feb 2018 Final Discharge → Ph. 8.35 → BOD 3 Days 65 → COD 375 → total Solids 7100 → Suspended Solid 279 → Oil and Grease 1 → Ammoniac Nitrogen 76 → total nitrogen 86</li> <li>• No. 366/2018 → 01/18 → 17<sup>th</sup> January 2018 Final discharge → pH 8.37 → BOD 78 → COD 513 → TS 9596 → TSS 288 → oil and Grease 3 → ammoniac Nitrogen 24 → Total Nitrogen 40</li> </ul> <p>Based on the observation and document verification, sighted that the company had not surpass the limit set by DOE and according to regulation and policies.</p>	
<b>Status:</b>	<b>Ok</b>
<p><b>4.5.5 Criterion 5: Natural water resources</b></p>	
<p><b>4.5.5.1 Indicator 1:</b> 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> <ol 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 reflects the estate’s current activities.</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> </ol> <p>Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>FGV KKS Serting had utilized the water from Syarikat Air Negeri Sembilan (SAINS) to supply the workers and mill consumption. Sighted the water treatment plan and the license of water abstraction as permit license number BKSA-JPL/700-111/2/1-39/2018/0528 Akta Air 1920 and the water abstraction maximum capacity is 262,800.00 m3 form 1<sup>st</sup> July 2017 until 31<sup>st</sup> December 2018. The company had conduct the water analysis for Sungai Serting dated 21<sup>st</sup> February 2018 and been divided into river upstream and downstream:</p> <ol style="list-style-type: none"> <li>i) River Upstream – 1139/2018 → PH 7.64 → BOD 12 → COD 83 → TS 91 → TSS 14 → Oil Grease 1 → Ammoniacal Nitrogen 10 → Total Nitrogen 17</li> <li>ii) River Downstream – 1140 /2018 → PH 7.42 → BOD 16 → COD 138 → TS 949 → TSS 98 → oil and Grease 1 → Ammoniacal Nitrogen 16 → Total Nitrogen 24</li> </ol>	
<b>Status:</b>	<b>Ok</b>
<p><b>4.5.5.2 Indicator 2:</b> Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p> <p>KKS Serting Hilir had developed a conventional system pond for POME treatment that will phased out the effluent in the mill. Sighted the flow diagram of effluent treatment which include, Sterilizer and Sludge trap → Condensate Sump → cooling pond → 2 Mixing Pond → 4 Anaerobic Pond → intermediate sump → 2 Facultative pond → 2 algae Pond A1 → 2 Algae Pond B2 → Bio polishing Plant → final Discharge. Sighted also the channel of effluent from facultative pond into biogas plant. → grid national. Based on the evident of finals discharge that being submitted to DOE , sighted that the analysis on final discharge is in accordance to the national regulation of Malaysia.</p>	
<b>Status:</b>	<b>Ok</b>

<b>4.5.5.3 Indicator 3:</b> Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.	
Sighted the permit for effluent discharge and based on the letter that stressed out on requirement of boiler from 400g/m <sup>3</sup> increase to 150g/m <sup>3</sup> started on 04/06/14. Sighted the license from Department of environmental Malaysia regarding the plan "General Site Plan-New Flow Line, the final discharge to water course. Sighted the requirement of for Final Discharge:	
<ul style="list-style-type: none"> <li>i) BOD requirement 3days not More than 100mg/l [57]</li> <li>ii) Suspended solid less than 400 mg/l [251]</li> <li>iii) Oil and grease not less than 50 mg/l [1]</li> <li>iv) Ammoniacal nitrogen not more than 50 mg/l</li> <li>v) Total nitrogen less than 200 mg/l</li> <li>vi) PH not less than 5.0 and more than 9.0 /7.92]</li> <li>vii) Temperature not more than 45 degrees.</li> </ul>	
Based on the observation and document verification, sighted that the mill had not surpass the limit set by DOE and according to regulation and policies.	
<b>Status:</b>	<b>Ok</b>
<b>4.6 PRINCIPLE 6 : BEST PRACTICES</b>	
<b>4.6.1 Criterion 1: Mill management</b>	
<b>4.6.1.1 Indicator 1:</b> Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	
Sighted the master copy of manual operation of KKS Seriting date circulated on 2 <sup>nd</sup> January 2001, amended 23 <sup>rd</sup> October 2017 that include all the operation based on document FPI /L3 / 1-01 until FPI L3/16-01 that comprise form weighbridge, security, CCTV, grading BTS in Mill, Operational mill [sterilizing, threshing, FFB into Cage, tipper operation, transfer carriage, FFB Conveyor handling, releasing fruits from bunch,] and all the operation include in direct mill and details out of it. Sighted 141 list of the operation in total. Based on the field visit in the mill, storage area, weighbridge and mill operation, the SOP are adequately implemented throughout the process.	
<b>Status:</b>	<b>Ok</b>
<b>4.6.1.2 Indicator 2:</b> All palm oil mills shall implement best practices.	
The mill had appropriately implement the best practices throughout the operation base on the standard operating procedure. The mill FPI Sdn Bhd have procedures and manual for operating the mill in form of, Manual Operasi Kilang Sawit which implement from 2 January 2001 (revised on 19 February 2016) in documents clear number identified for example operation from FFB receipt until SPO sell. Sample tacking (pengambilan sampel) 14 activities in documents number from FPI/L3/14-01-01 until FPI/L3/14-01-14, sampled laboratory use tools (Penggunaan Alat Makmal) in documents number from FPI/L3/14-02-01 until FPI/L3/14-02.	
<b>Status:</b>	<b>Ok</b>
<b>4.6.2 Criterion 2: Economic and financial viability plan</b>	
<b>4.6.2.1 Indicator 1:</b> A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.	
Seriting Mill has made long term work plan for 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, yield, OER/KER, and CPO/PK projection. Based on interview with manager known there is no land expansion plan or mill capacity extension as at audit date.	
<b>Status:</b>	<b>Ok</b>
<b>4.6.3 Criterion 3: Transparent and fair price dealing</b>	
<b>4.6.3.1 Indicator 1:</b> Pricing mechanisms for the products and other services shall be documented and effectively implemented.	
The Kilang Sawit Seriting Hilir pay the FFB from the outsider crop based on Malaysian Palm Oil Board (MPOB) standard. There was available the document of FFB Pricing standard from MPOB per June 2018. These standard as directive for POM in related to FFB pricing mechanism for FFB from smallholder or growers and evidence of Buku Harian BTS to record the FFB price per days.	
<b>Status:</b>	<b>Ok</b>



<b>4.6.3.2 Indicator 2:</b> All contracts shall be fair, legal, and transparent and agreed payments shall be made in a timely manner.		
There was available the sample of document Agreement (No 97376-01361111) between Kilang Sawit Seriting Hilir with Lui Sawit Enterprise. There was also observed payment record to contractor, such as payment voucher		
<b>Status:</b>		<b>Ok</b>
<b>4.6.4 Criterion 4: Contractor</b>		
<b>4.6.4.1 Indicator 1:</b> In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.		
FGV has Policy related to Child Protection, foreign worker’s policy, Gender Policy, and Occupational Health & Safety. There is a training schedule for MSPO BTS Supplier Kilang Sawit Seriting Hilir 2018 expected on November and December 2018. <i>The management unit mill has opportunity to improve with describe the clause regarding to FGV Policy about Occupational Health &amp; Safety, Child Protection, and Gender Policy, etc. in awareness training with the contractors.</i>		
<b>Status:</b>		<b>Obs</b>
<b>4.6.4.2 Indicator 2:</b> The management shall provide evidence of agreed contracts with the contractor.		
There was available the sample of document Agreement (No: 97376-01361111) between the FGV Kilang Sawit Seriting Hilir (Purchaser) with Lui Sawit Enterprise (FFB Supplier). There was also observed payment (Voucher Bayaran) Payment has been made timely according to the contract.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.4.3 Indicator 3:</b> The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.		
The mill 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 for audit purposed.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.4.4 Indicator 4:</b> The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.		
Mechanism of contractor pursuance towards PPE, has carried out through daily field checking and inspection which conducted by Foreman listed on document.		
<b>Status:</b>		<b>Ok</b>

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

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

No	Description
1	The mill has been certified OHSAS 18001:2007 No. OHS 00691 dated 24 February 2017 – 23 February 2020
2	The mill has been certified ISCC No. EU-ISCC-Cert-IT206-1049929 dated 31 May 2018 – 30 May 2019
3	The mill has install Biogas Plant to reducing GHG Emissions and supplying power to national grid.
4	Safety awareness among mill workers are good.

**3.2.2 Identification of Non-conformity at Stage-2 - Three (3) minor non-conformities were raised.**

<b>NCR No.</b>	<b>: MSPO/Serting Hilir-01/18-P4</b>	<b>Issued by</b>	<b>: Mahas</b>
<b>Date Issued</b>	<b>: 08/06/2018</b>	<b>Time Limit</b>	<b>: 1 year</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: Before next ASA</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.1.1.1</b> <b>Indicator 1: A policy for the implementation of MSPO shall be established.</b>		
<b>Non-Conformance Description &amp; Evidence observed:</b> <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 mill 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 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/mill operation.</p>			
<b>Root Cause Analysis:</b>			
<b>Corrective Action:</b>			
<b>Preventive Action:</b>			
<b>Assessor Evaluation and Conclusion:</b>			
<b>Verified by</b>	<b>: WILL BE VERIFIED ON THE NEXT ASSESSMENT</b>		

<b>NCR No.</b>	<b>: MSPO/Serting Hilir-02/18-P4</b>	<b>Issued by</b>	<b>: Mahas</b>
<b>Date Issued</b>	<b>: 08/06/2018</b>	<b>Time Limit</b>	<b>: 1 year</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: Before next ASA</b>
<b>Standard Ref. &amp; Requirement</b>	<b>4.3.1.1</b> <b>Indicator 1:</b> All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
<b>Non-Conformance Description &amp; Evidence observed:</b> As at audit date, the mill has no competent person to conduct schedule waste. Email evidence available that the mill management has submitted 2 names for approval by HQ for the upcoming course [3 <sup>rd</sup> Q 2018] for Certified Environmental Professional in Waste Management (CEPSWAM). This is against the Environmental Quality Act 1974 (Act 127), Article 49A. (1) An owner or occupier of a premise shall employ a person who has been certified by the Director General as a competent person to conduct all or any of the following activities (b) the management of schedule wastes.			
<b>Root Cause Analysis:</b>			
<b>Corrective Action:</b>			
<b>Preventive Action:</b>			
<b>Assessor Evaluation and Conclusion:</b>			
<b>Verified by</b>	<b>: <i>WILL BE VERIFIED ON THE NEXT ASSESSMENT</i></b>		

<b>NCR No.</b>	: MSPO/Serting Hilir-03/18-P4	<b>Issued by</b>	: Ebnu
<b>Date Issued</b>	: 08/06/2018	<b>Time Limit</b>	: 1 year
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: Before next ASA
<b>Standard Ref. &amp; Requirement</b>	: 4.5.3.1 Indicator 1: All waste products and sources of pollution shall be identified and documented.		
<b>Non-Conformance Description&amp; Evidence observed:</b> Not all waste products and sources of pollution had been identified and documented. Based on the document verification and observation at KKS Serting Hilir, it was found that the below were not identified as per EQA Scheduled Waste Regulation 2005:			
<ol style="list-style-type: none"> <li>1. Spent Isopropanol Alcohol, and Hexane used in the laboratory</li> <li>2. Spent filters found at the scrap iron yard</li> <li>3. Spent lubricant and hydraulic oil are</li> <li>4. Empty lubricant drums were found at scrap iron yard</li> </ol>			
<b>Root Cause Analysis:</b>			
<b>Corrective Action:</b>			
<b>Preventive Action:</b>			
<b>Assessor Evaluation and Conclusion:</b>			
<b>Verified by</b>	: <b>WILL BE VERIFIED ON THE NEXT ASSESSMENT</b>		

**3.2.3 Opportunity for Improvement (OFI)**

4.

No	Ref Std.	Descriptions																																																							
1	4.3.1.1	The mill management has initiated the Fire Certificate application [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. Sighted an acknowledgement letter from Bomba [JBPM/NS/BKK:700-3/1/7/157(6) which the visit scheduled to be on 10/07/18. Based on the time bound plan for the FPISB, the Serting Hilir POM listed to obtain fire certificate by 2023.																																																							
2	4.3.1.1	CEMS monitoring was seen unstable due to distortion and instability of modem [graph not appears on the screen while the mill in operation]. Since this is a requirement from DOE, therefore it should be sorted and a communication to DOE of the error to be documented. Aside, the CCTV for stack emission monitoring was seen intermittently appears in computer screen.																																																							
3	4.1.3.1	The next management review meeting to include agendas such the decision on any changes, modification, continuous improvement plan and timeline for the MSPO implementation.																																																							
4	4.1.4.1	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.																																																							
5	4.4.4.2	Based on the inspection at Electrical Room there is first aid kit available but inventory book (Buku Rekod Penggunaan & Pemeriksaan Peti Pertolongan Cemas Electrical) were not updated. Latest on 2017.																																																							
6	4.5.3.1	Consideration for KKS Serting Hilir to Improve the labelling for Scheduled waste item at Scheduled waste store																																																							
7	4.6.4.1	The management unit mill has opportunity to improve with describe the clause regarding to FGV Policy about Occupational Health & Safety, Child Protection, and Gender Policy, etc. in awareness training with the contractors.																																																							
8	4.3.2.1	There are discrepancy of area between area statement with MPOB License, such as:																																																							
		<table border="1"> <thead> <tr> <th>FGVP(M)</th> <th>Total Area (Hectare)</th> <th>Planted Area (Hectare)</th> <th>MPOB License Area (Hectare)</th> <th>Discrepancy (Hectare)</th> </tr> </thead> <tbody> <tr> <td>Tembangau 3</td> <td>2623.41</td> <td>2,428.04</td> <td>2,606.99</td> <td>-16.42</td> </tr> <tr> <td>Tembangau 5</td> <td>3790.28</td> <td>3,301.33</td> <td>3,587.25</td> <td>-203.03</td> </tr> <tr> <td>Tembangau 6</td> <td>2460.15</td> <td>1,737.32</td> <td>1,902.41</td> <td>-557.74</td> </tr> <tr> <td>Tembangau 7</td> <td>2460.34</td> <td>2,186.49</td> <td>2,289.21</td> <td>-171.13</td> </tr> <tr> <td>Tembangau 8</td> <td>1754</td> <td>1,626.83</td> <td>1,744.62</td> <td>-9.38</td> </tr> <tr> <td>Tembangau 9</td> <td>1284.48</td> <td>1,178.75</td> <td>1,147.09</td> <td>-137.39</td> </tr> <tr> <td>Serting Hilir 9</td> <td>1994</td> <td>1,779.62</td> <td>2,762.36</td> <td>768.36</td> </tr> <tr> <td>FASSB Serting Hilir</td> <td>316.72</td> <td>300.72</td> <td>100.81</td> <td>-215.91</td> </tr> <tr> <td>KS Serting Hilir (Near of Serting Hilir 9)</td> <td>41.44</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>16,724.82</b></td> <td><b>14,539.10</b></td> <td><b>16,140.74</b></td> <td><b>-542.64</b></td> </tr> </tbody> </table>	FGVP(M)	Total Area (Hectare)	Planted Area (Hectare)	MPOB License Area (Hectare)	Discrepancy (Hectare)	Tembangau 3	2623.41	2,428.04	2,606.99	-16.42	Tembangau 5	3790.28	3,301.33	3,587.25	-203.03	Tembangau 6	2460.15	1,737.32	1,902.41	-557.74	Tembangau 7	2460.34	2,186.49	2,289.21	-171.13	Tembangau 8	1754	1,626.83	1,744.62	-9.38	Tembangau 9	1284.48	1,178.75	1,147.09	-137.39	Serting Hilir 9	1994	1,779.62	2,762.36	768.36	FASSB Serting Hilir	316.72	300.72	100.81	-215.91	KS Serting Hilir (Near of Serting Hilir 9)	41.44	-	-	-	<b>Total</b>	<b>16,724.82</b>	<b>14,539.10</b>	<b>16,140.74</b>	<b>-542.64</b>
		FGVP(M)	Total Area (Hectare)	Planted Area (Hectare)	MPOB License Area (Hectare)	Discrepancy (Hectare)																																																			
		Tembangau 3	2623.41	2,428.04	2,606.99	-16.42																																																			
		Tembangau 5	3790.28	3,301.33	3,587.25	-203.03																																																			
		Tembangau 6	2460.15	1,737.32	1,902.41	-557.74																																																			
		Tembangau 7	2460.34	2,186.49	2,289.21	-171.13																																																			
		Tembangau 8	1754	1,626.83	1,744.62	-9.38																																																			
		Tembangau 9	1284.48	1,178.75	1,147.09	-137.39																																																			
		Serting Hilir 9	1994	1,779.62	2,762.36	768.36																																																			
		FASSB Serting Hilir	316.72	300.72	100.81	-215.91																																																			
KS Serting Hilir (Near of Serting Hilir 9)	41.44	-	-	-																																																					
<b>Total</b>	<b>16,724.82</b>	<b>14,539.10</b>	<b>16,140.74</b>	<b>-542.64</b>																																																					



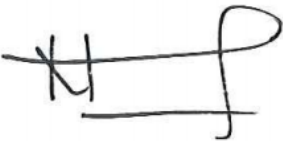

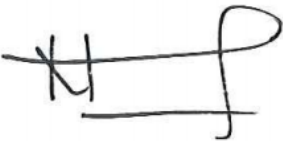

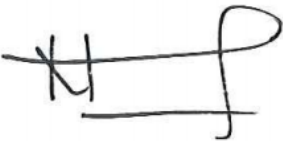

**1.4 Summary of Arising Issues from Public, Management, and Auditor Response**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee of FGV Serting Hilir</b>            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. 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.</p> <p>As far from the interview concern, there is no sexual harassment happen among the female workers and staff. 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><b>Contractors of Spraying Tembangau 8</b>            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 and worker's welfare had been a priority concern of FGV management.</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>FGV management also giving information to the workers during signing the contract that the workers should obey the company policy, code of conduct and everything had been kept in a booklet send to the contractors and a copy of contract also kept by the contractor. Every single policy and legal requirement are clearly stated in the contract and obeyed by the contractor.</p>	<p>The company will continue to keep a good relation between the contractors and FGV Tembangau 8, 3 and 7 also further engagement will be enhanced from time to time.</p>

<p><b>FGV Foreign Workers Representative (Nepal, Bangladeshi, India and Indonesian) 4</b>          4 workers representative had been interviewed in FGV Ladang Tembangau 8 and 7. 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.</p> <p>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.</p>	<p>FGV Management will keep a good relation especially with the foreign workers representative of FGV Tembangau 8, 3 and 7.</p>
<p><b>Teacher form LKTP Ladang Tembangau 8</b>          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.</p>	<p>FGV Management will keep a good relation with nearby school of LKTP Ladang Tembangau 8 and will continue good cooperation when needed.</p>
<p>There was no feed-back received from NGO and External Stakeholders.</p>	<p>No issues raised</p>

**3.4 Summary of findings and Recommendation**

MAJOR	MINOR	O F I
0	3	8
<p><b>Recommendation of Certification:</b></p> <p><b>Due to No Major Non- Conformity finding, Serting Hilir Palm Oil Mill is <u>RECOMMENDED</u> for MSPO Part 4 certification.</b></p>		

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>		
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <table border="0" style="width: 100%; margin-top: 20px;"> <tr> <td style="text-align: center; width: 50%;"> <p>Company Name Management Representative</p>  <p><b><u>Norazam Abdul Hameed</u></b> 06/06/2018</p> </td> <td style="text-align: center; width: 50%;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Mahaswaran Maliyapan</u></b> 26/06/2018</p> </td> </tr> </table>	<p>Company Name Management Representative</p>  <p><b><u>Norazam Abdul Hameed</u></b> 06/06/2018</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Mahaswaran Maliyapan</u></b> 26/06/2018</p>
<p>Company Name Management Representative</p>  <p><b><u>Norazam Abdul Hameed</u></b> 06/06/2018</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Mahaswaran Maliyapan</u></b> 26/06/2018</p>		

**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
OHS A	:	Occupational Health and Safety Assessment

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