

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management : Kilang Sawit Serting Hilir, FGV Palm Industries Sdn Bhd subsidiary of FGV Organisation Holdings Bhd
 Plantation Name : Felda Global Ventures Plantation: FGVPM Tembangau 3, FGVPM Tembangau 5, FGVPM Tembangau 6, FGVPM Tembangau 7, FGVPM Tembangau 8, FGVPM Tembangau 9, FGVPM Serting Hilir 9 and FASSB Serting Hilir
 Location : Kilang Sawit Serting Hilir, Peti Surat No. 3, 72120, Bandar Baru Serting, Negeri Sembilan, Malaysia
 Certificate Code : **MUTU-RSPO/125**
 Date of Certificate Issue : 08 February 2019 Date of License Issue : 08 May 2020
 Date of Certificate Expiry : 07 February 2024 Date of License Expiry : 07 February 2021

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1	3-7 th February 2020	Arif Faisal (Lead Auditor), Sandra Purba, Ebnu Holdoon	Octo H. P. N. Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1	24 April 2020

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Figure 1.Operational Map of Tembangau 3

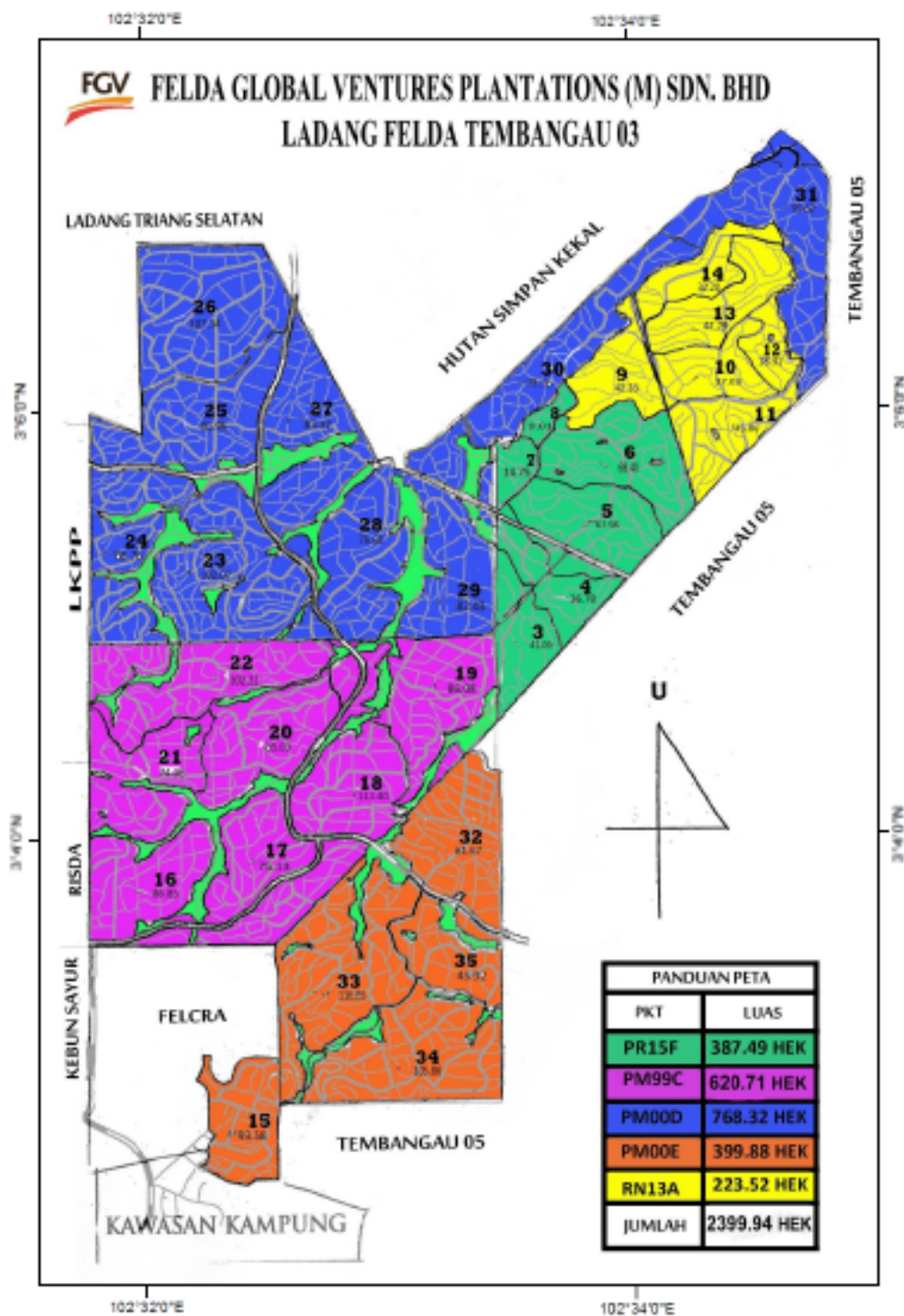


Figure 2. Operational Map of Tembangau 5

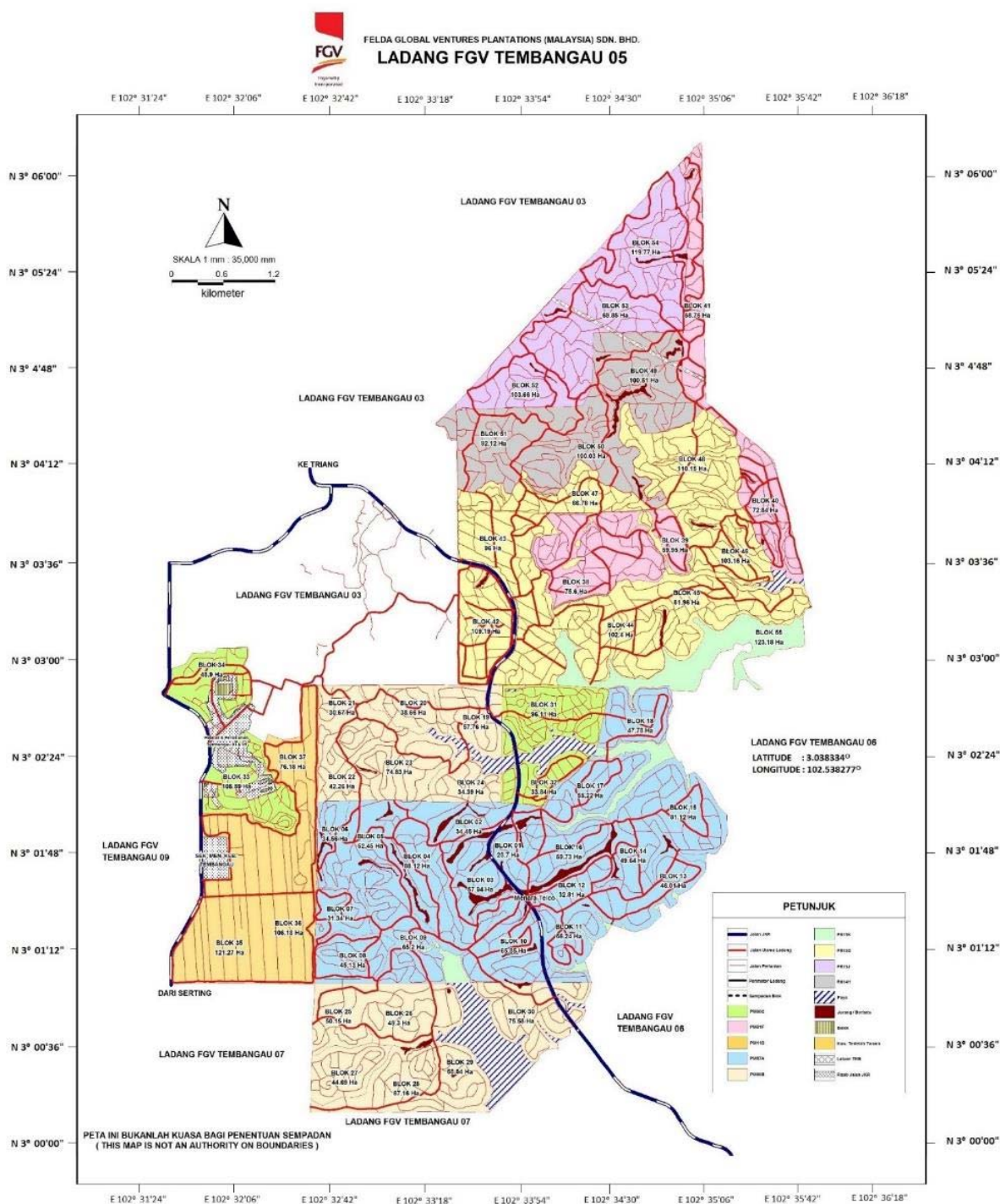


Figure 3. Operational Map of Tembangau 6

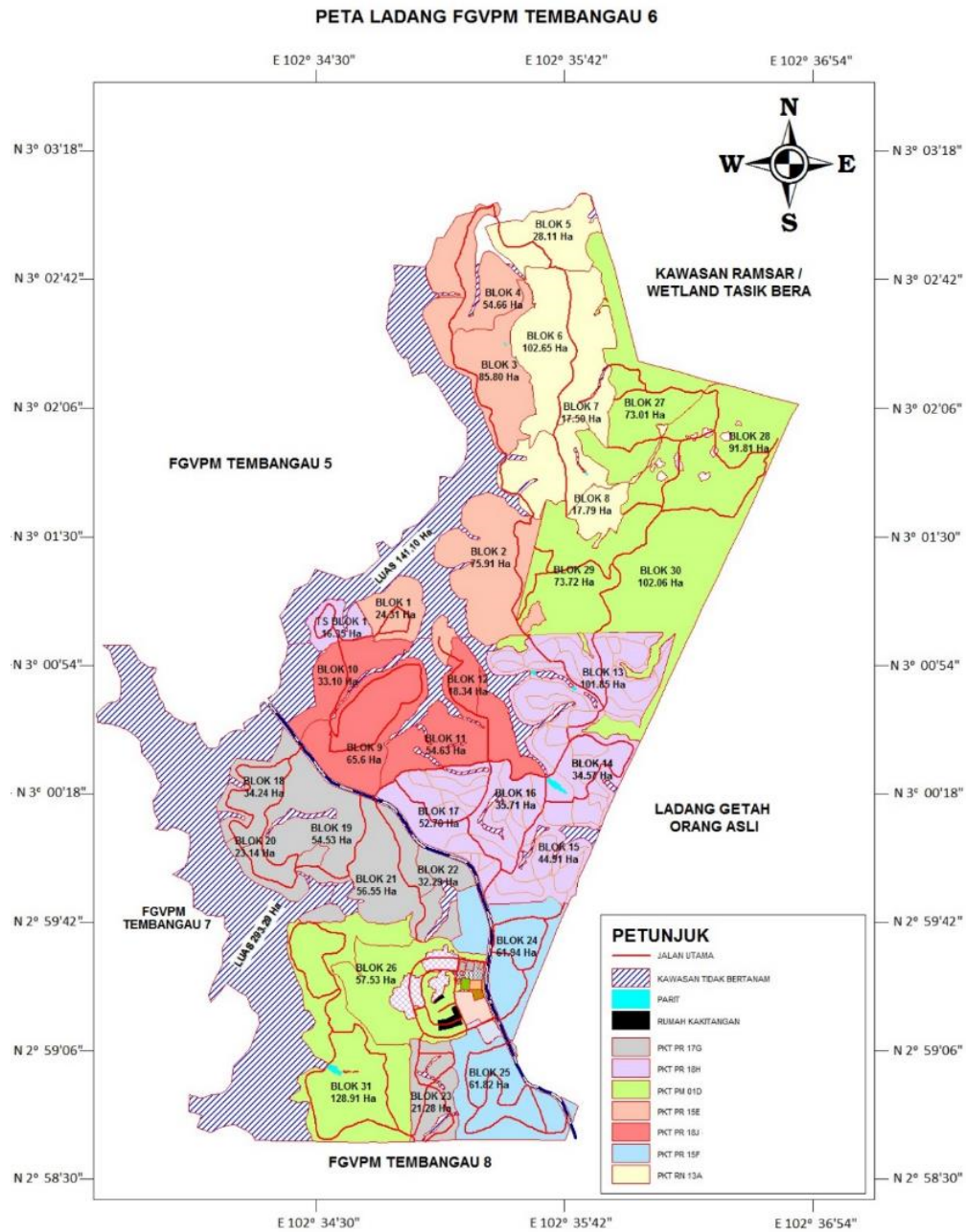


Figure 4. Operational Map of Tembangau 7

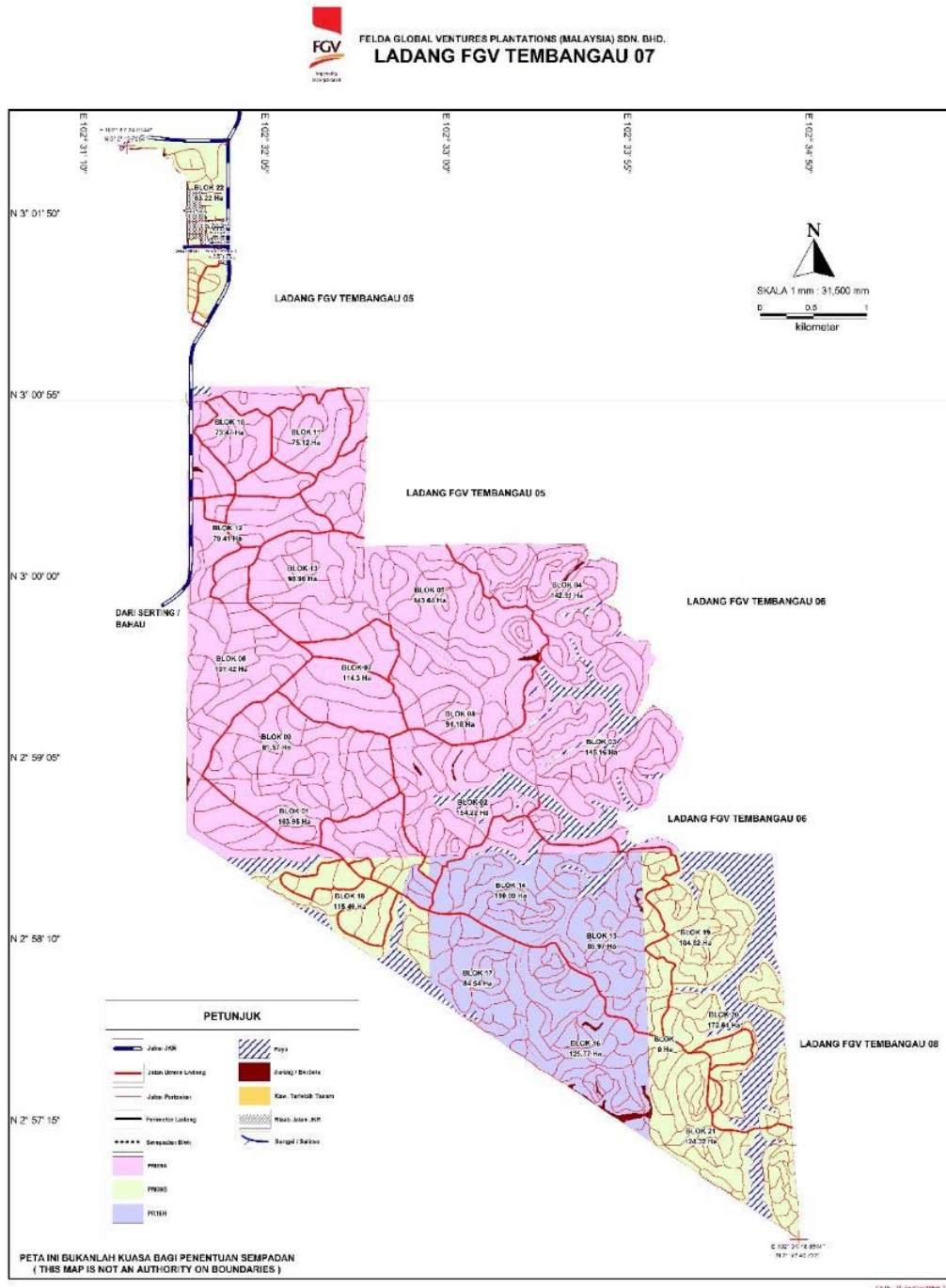


Figure 5. Operational Map of Tembangau 8

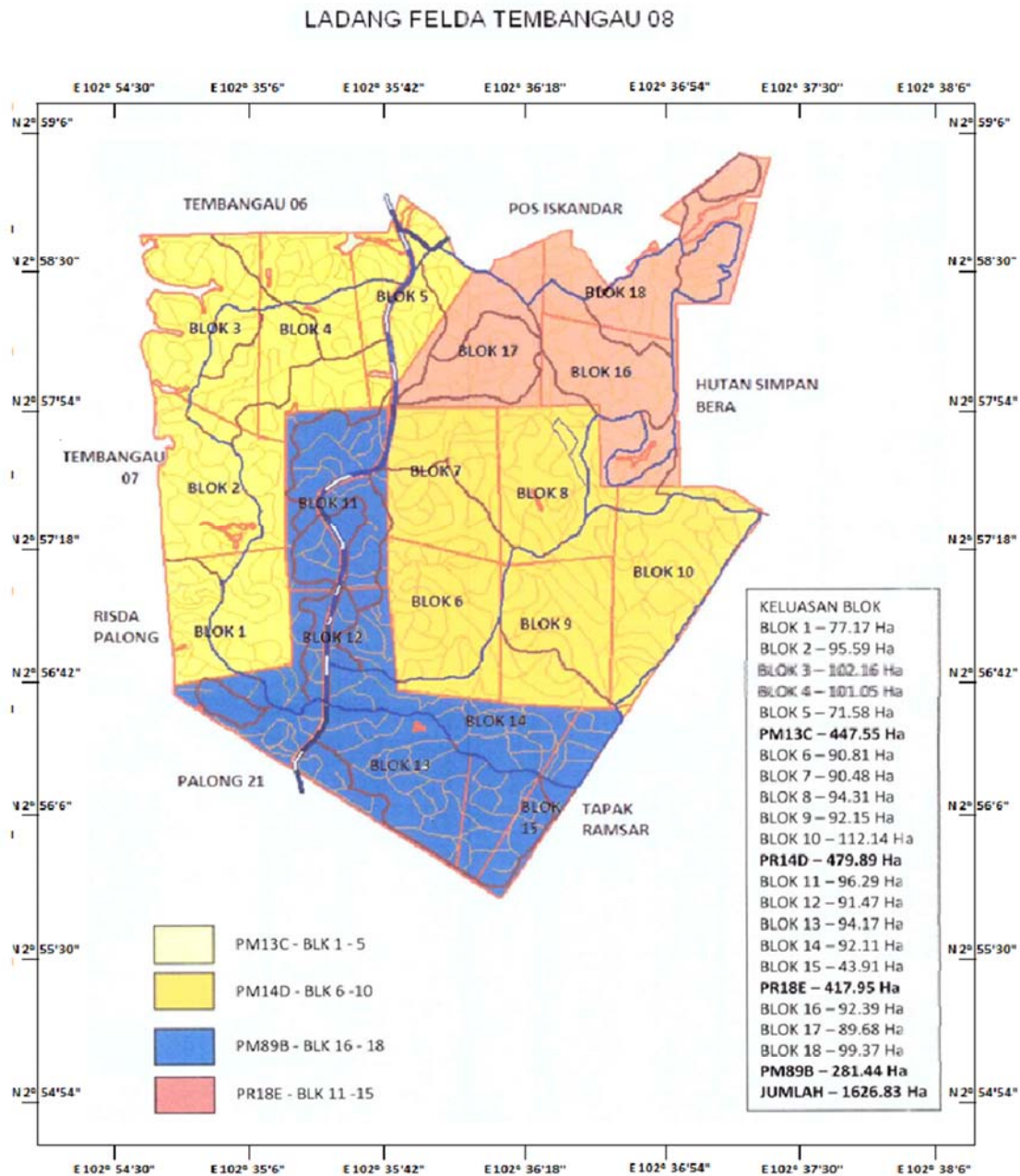


Figure 6. Operational Map of Tembangau 9

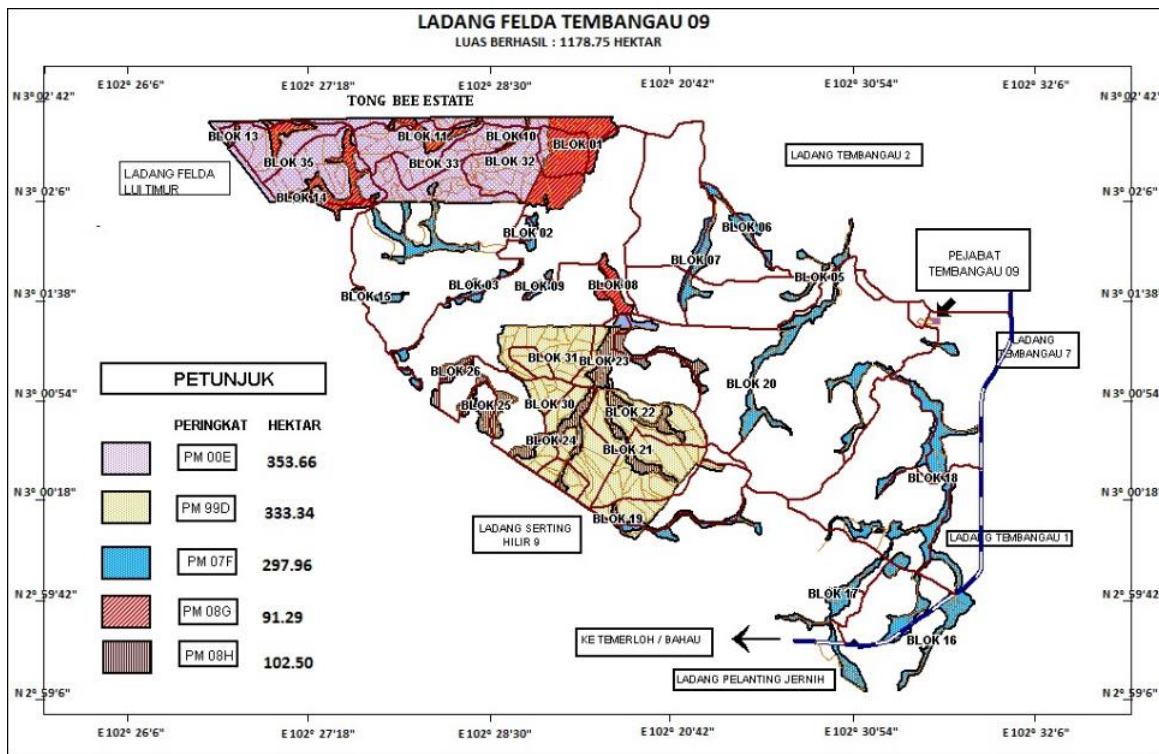


Figure 7. Operational Map of Serting Hilir 9

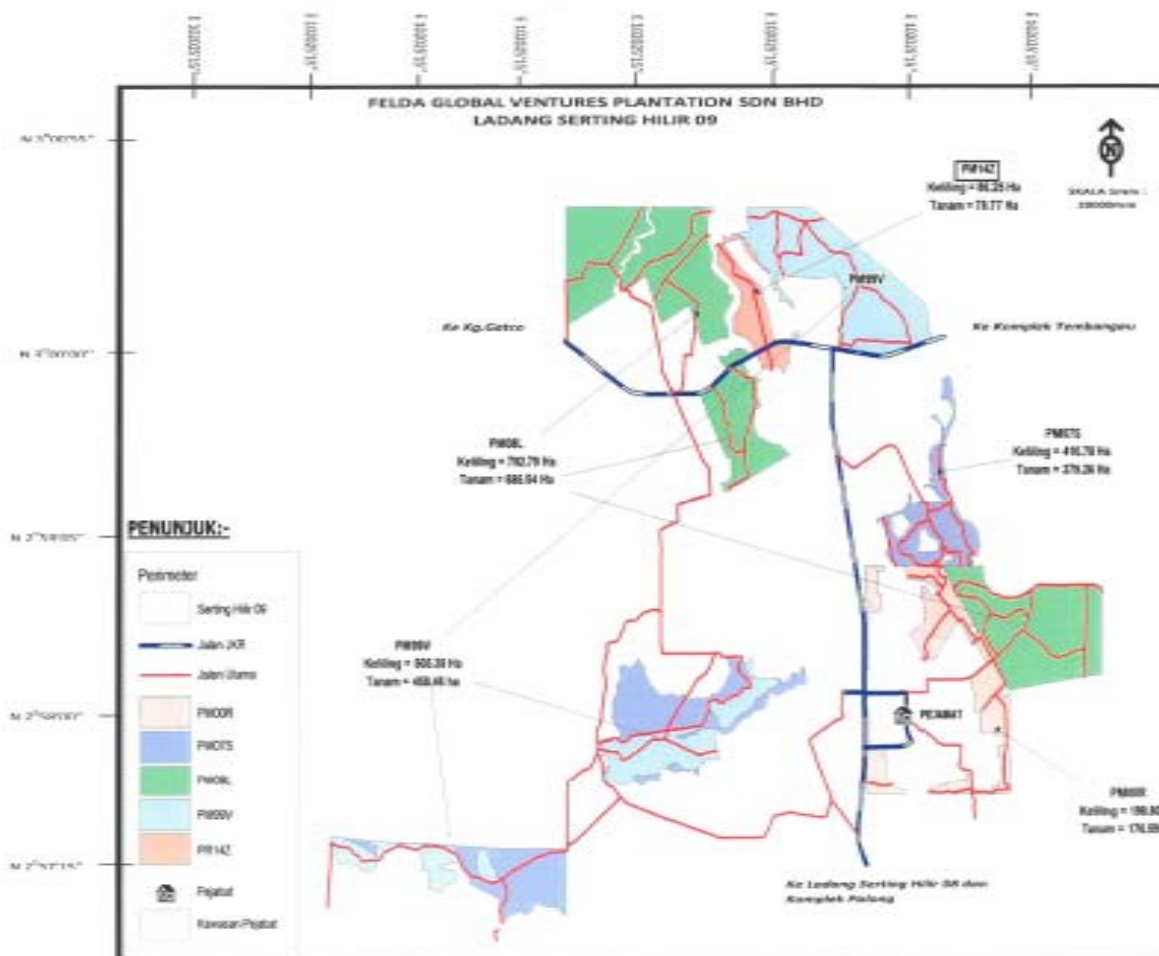


Figure 8. Operational Map of FASSB Serting Hilir

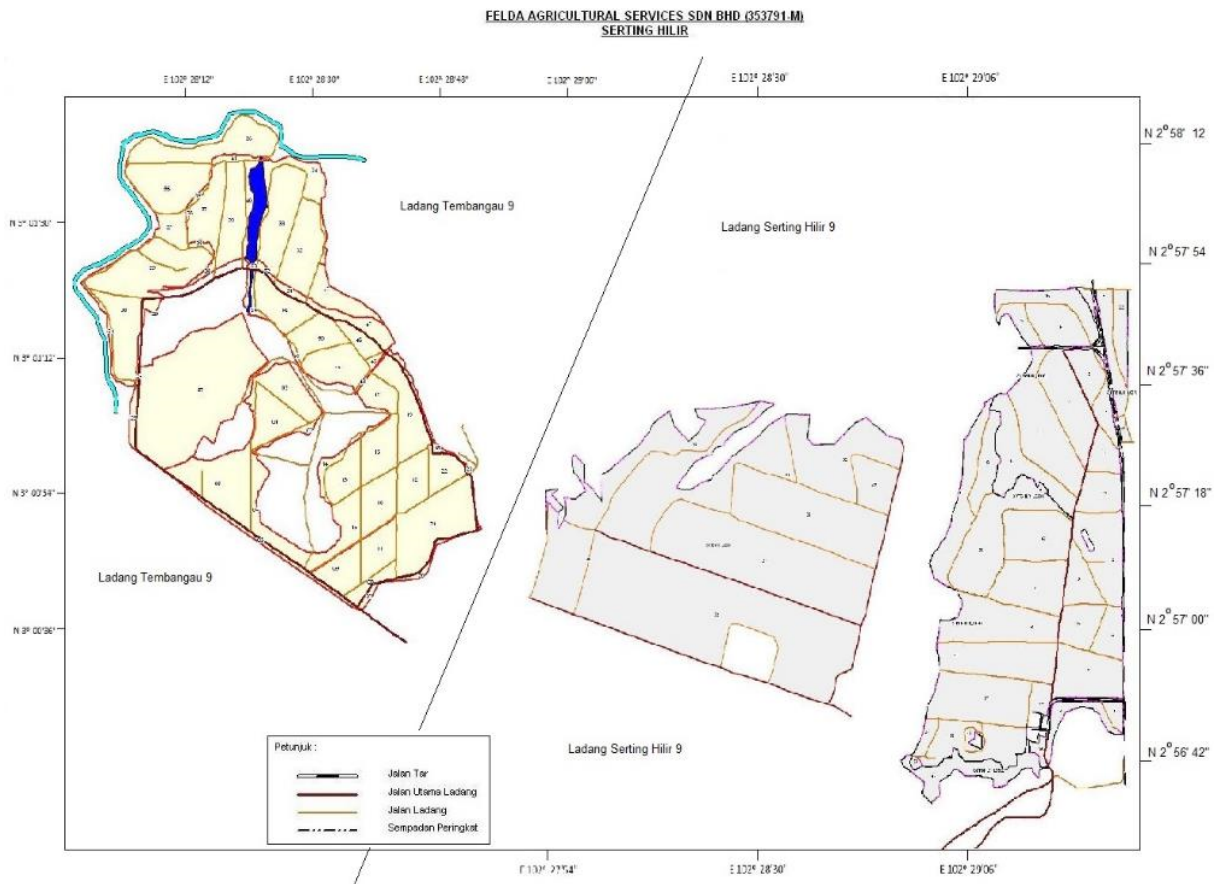


Figure 9. Location Map KKS Serting Hilir



Abbreviations Used

AJK	: Ahli Jawatan Kuasa	P&D	: Pest and Disease
ASA	: Annual Surveillance Assessment	LD	: Lethal Dosage
BOB	: Barn Owl Box	NGO	: Non Government Organization
BOMBA	: The Fire and Recue Department of Malaysia	OER	: Oil Extraction Rate
BOD	: Biological Oxygen Demand	OFI	: Opportunity For Improvement
CCTV	: Closed Circuit Television	OSH	: Occupational Safety and Health
CDD	: Unit of Certification Due Diligent	P&D	: Pest and Disease
CEC	: Cation Exchange Capacity	PIC	: Person in Charge
CEO	: Chief Executive Officer	PK	: Palm Kernel
CHRA	: Chemical Hazard Risk Assessment	POM	: Palm Oil Mill
CPO	: Crude Palm Oil	POME	: Palm Oil Mill Effluent
DoE	: Department of Environment	PPE	: Personal Protection Equipment
EFB	: Empty Fruit Bunch	R&D	: Research and Development
EIA	: Environmental Impact Assessment	RM	: Ringgit Malaysia (Malaysia currency)
EMP	: Environmental Management Plant	MB	: Mass Balance
eRML	: <i>Estate-Rangkaian Maklumat Ladang</i> (Estate Information Connection)	RISDA	: Rubber Industry Smallholders Development Authority
ERP	: Emergency Response Procedure	RSPO	: Roundtable Sustainable palm Oil
ETL	: Economic Threshold Level	RTE	: Rear Threatened & Endangered
FASSB	: Felda Agriculture Services Sdn. Bhd.	SC	: Supply Chain
FFB	: Fresh Fruit Bunch	SCCD	: Sustainability Compliance & Certification Department
FGVPM	: Felda Global Ventures Plantations Malaysia	SCCS	: Supply Chain Certification System
FPTSB	: Felda Technoplant Plantation Sdn. Bhd.	SCOC	: Supplier Code of Conduct
FTPM	: Felda Techno Plant Malaysia	Sdn. Bhd.	: Sendirian Berhad (non-public company)
GHG	: Green House Gasses	SDS	: Safety Data Sheet
GPS	: Global Positioning System	SED	: Department of Sustainability & Environment
HCV	: High Conservation Value	SIA	: Social Impact Assessment
HIRADC	: Hazard Identification Risk Assessment Determining Control	SKB	: <i>Sistem Komputer Berintegrasi</i> (Integrated Computer System)
JKKP	: <i>Jawatan Keselamatan dan Kesihatan Pekerjaan</i> (Department of Occupational Safety and Health)	SOCISO	: Social Security Organization
KER	: Kernel Extraction Rate	SOP	: Standard of Procedure
LCC	: Legume Cover Crop	SPO	: Sludge Palm Oil
LD	: Lethal Dosage	ST-1	: Stage - 1
MSPO	: Malaysian Sustainable Palm Oil	ST-2	: Stage - 2
MPOB	: Malaysia Palm Oil Board	WB	: Weighbridge
NGO	: Non Government Organization	WHO	: World Health Organization
OER	: Oil Extraction Rate	3R	: Reduce, Reuse, Recycle
OFI	: Opportunity For Improvement		
OSH	: Occupational Safety and Health		

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none">Malaysia National Interpretation (MYNI) 2019 of the RSPO Principles And Criteria 2018 for Sustainable Palm Oil Production, Endorsed by the RSPO Board of Governors on 7th November 2019RSPO Certification System for Principles and Criteria, 14 June 2017	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	FGV Palm Industries Sdn Bhd subsidiary of FGV Holdings Bhd	
1.2.2	Contact person	Ameer Izyanif Hamzah	
1.2.3	Organisation address and site address	RSPO Registered Company: SCCD, FGV Holdings Berhad, Level 20 West Wisma FGV Jalan Raja Laut, 50350 Kuala Lumpur , Malaysia	
1.2.4	Telephone	(+ 603) – 2789 0497	
1.2.5	Fax	(+ 603) – 2789 0440	
1.2.6	E-mail	ameer.h@fgvholdings.com	
1.2.7	Web page address	www.fgvholdings.com	
1.2.8	Management Representative who completed the application for certification	Ameer Izyanif Hamzah	
1.2.9	Registered as RSPO member	1-0225-16-000-00, 27 December 2016	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Kilang Sawit Serting Hilir, FGVPM Tembangau 3, FGVPM Tembangau 5, FGVPM Tembangau 6, FGVPM Tembangau 7, FGVPM Tembangau 8, FGVPM Tembangau 9, FGVPM Serting Hilir 9 and FASSB Serting Hilir	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Serting Hilir	Bandar Baru Serting, Negeri Sembilan, Malaysia	02° 59' 35" N102° 28' 52" E
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	FGVPM Tembangau 3	Kemayan, Pahang Darul Makmur, Malaysia	03° 02' 33" N102° 31' 59" E
	FGVPM Tembangau 5	Kemayan, Pahang Darul Makmur, Malaysia	03° 02' 10" N102° 32' 10" E
	FGVPM Tembangau 6	Kemayan, Pahang Darul Makmur, Malaysia	02° 59' 22" N102° 35' 14" E

FGVPM Tembangau 7	Kemayan, Pahang Darul Makmur, Malaysia	03° 01' 43" N	102° 31' 54" E
FGVPM Tembangau 8	Kemayan, Pahang Darul Makmur, Malaysia	02° 59' 20" N	102° 35' 17" E
FGVPM Tembangau 9	Kemayan, Pahang Darul Makmur, Malaysia	03° 01' 38" N	102° 31' 20" E
FGVPM Seriting Hilir 9	Sri Jempol, Negeri Sembilan Darul Khusus, Malaysia	02° 56' 43" N	102° 29' 56" E
FASSB Seriting Hilir	Jempol, Negeri Sembilan, Malaysia	02° 56' 50" N	102° 29' 20" E

1.5 Description of Area Statement

1.5.1	Tenure	
	• State	14,976.94 Ha
	• Community	- Ha

1.5.2 Area Statement

• Total area	14,976.94 Ha
• Planted Area	14,539.10 Ha
• Mature area	12,658.87 Ha
• Immature area	1,880.23 Ha
• Mill	41.44 Ha
• Rubber	166.05 Ha
• Emplacement	214.00 Ha
• Nursery	16.35 Ha

1.6 Planting Year and Cycles

1.6.1	Age profile of planting year								
	Planting Year	Hectarage (Ha)							
		FGVPM Tembangau 3	FGVPM Tembangau 5	FGVPM Tembangau 6	FGVPM Tembangau 7	FGVPM Tembangau 8	FGVPM Tembangau 9	FGVPM Seriting Hilir 9	FASSB Seriting Hilir
	1983	-	223.46	-	-	-	-	-	223.46
	1984	-	319.05	-	-	-	-	-	319.05
	1985	-	-	-	1079.31	-	-	-	1,079.31
	1989	-	-	-	-	281.44	-	-	281.44
	1996	-	-	-	45.11	-	-	-	45.11
	1999	554.11	-	-	-	-	333.34	458.46	1,345.91
	2000	790.07	189.19	-	-	-	353.66	176.59	1,547.65
	2001	399.51	238.49	527.04	-	-	-	-	1,194.28
	2002	-	-	-	-	-	-	-	18.11
	2003	-	-	-	-	-	-	-	15.33
	2006	-	289.2	-	-	-	-	-	289.20
	2007	-	-	16.35	-	-	297.96	379.26	693.57

	2008	-	-	-	-	-	193.79	686.54	-	880.33
	2013	249.78	616.95	166.05	-	447.55	-	-	199.9	1,680.23
	2014	-	-	-	-	479.89	-	78.77		558.66
	2015	434.57	275.86	364.44	384.19	-	-	-	-	1,459.06
	2016	-	418.46	-	-	-	-	-	-	418.46
	2017	-	-	222.03	387.68	-	-	-	-	609.71
	Total Mature	2,428.04	2,570.66	1,295.91	1,896.29	1,208.88	1,178.75	1,779.62	300.72	12,658.87
	2018	-	730.67	441.41	290.2	417.95	-	-	-	1,880.23
	Total Immature	-	730.67	441.41	290.2	417.95	-	-	-	1,880.23
	TOTAL	2,428.04	3,301.33	1,737.32	2,186.49	1,626.83	1,178.75	1,779.62	300.72	14,539.10
1.6.2	New Planting area after January 2010				- Ha					
1.6.3	Planting Cycle				2 nd Cycle					
1.7	Description of Mill and Supply Base									
1.7.1	Description of Mill									
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel				
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)			
	Serting Hilir	60	296,849.82	51,697.42	17.42	14,652.73	4.94			
	*Production data source from 8 February 2019 – January 2020									
1.7.2	Description of Certification Scope of Supply Base									
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes /ha/year)	Supplied to Mill				
						FFB (tonnes/year)	%			
	FGVPM Tembangau 3	2,458.04	2,428.04	40,979.15	16.88	25,221.19	61.55			
	FGVPM Tembangau 5	3,333.33	3,301.33	25,600.94	7.75	17,600.94	68.75			
	FGVPM Tembangau 6	1,949.72	1,737.32	10,295.08	5.93	10,295.08	100.00			
	FGVPM Tembangau 7	2,214.49	2,186.49	14,693.14	6.72	11,693.14	79.58			
	FGVPM Tembangau 8	1,652.83	1,626.83	8,727.42	5.36	8,727.42	100.00			
	FGVPM Tembangau 9	1,202.75	1,178.75	24,350.86	20.66	6,350.86	26.08			
	FGVPM Serting Hilir 9	1,849.06	1,779.62	13,763.57	7.73	9,763.57	70.94			
	FASSB Serting Hilir	316.72	300.72	3,572.37	11.88	1,672.37	46.81			
	TOTAL	14,976.94	14,539.10	141,982.53	9.77	91,324.57	64.32			
	*Production data source from 8 February 2019 – January 2020									
1.7.3	FFB description from other source									
	Name of sources/Organisation (RSPO certified (C) / non-certified (NC))		Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill				
						FFB (tonnes/year)				
	Lui Barat - NC		FELDA	224.97	56	5,362.33				

Felda Sungai Lui 2 - NC	FELDA	145.39	-	2,280.02
Felda Sungai Lui - NC	FELDA	68.85	-	1,997.63
Lui Timur- NC	FELDA	1391.52	373	17,927.04
Lui Muda - NC	FELDA	528.27	-	12,321.18
Lui Selatan 1 - NC	FELDA	256.92	1	666.91
Lui Selatan 2 - NC	FELDA	874.32	-	306.62
Tembangau 1 - NC	FELDA	291.92	-	10,673.79
Tembangau 2 - NC	FELDA	673.45	-	13,611.00
Serting Hilir 1 - NC	FELDA	271.55	65	5179.48
Serting Hilir 3 - NC	FELDA	129.46	-	384.27
Serting Hilir 4 - NC	FELDA	810.83	-	11582.84
Serting Hilir 5 - NC	FELDA	414.23	-	539.32
Serting Hilir 6 - NC	FELDA	389.61	-	168.55
Serting Hilir 7 - NC	FELDA	1,100.47	-	207.14
Sungai Lui - NC	FTP	279.03	-	3,000.24
Lui Timur - NC	FTP	248.55	-	3622.49
Lui Muda - NC	FTP	1080.7	151	8,866.84
Lui Selatan 1 - NC	FTP	311.45	211	9,101.91
Lui Selatan 2 - NC	FTP	874.32	210	11,632.93
Tembangau 1 - NC	FTP	995.35	121	18,690.53
Tembangau 2 - NC	FTP	1039.8	209	16,764.97
Serting Hilir 1 - NC	FTP	271.55	213	770.01
Serting Hilir 3 - NC	FTP	810.83	101	80.58
Serting Hilir 4 - NC	FTP	898.65	181	11,770.22
Serting Hilir 5 - NC	FTP	898.65	145	6,424.76
Serting Hilir 6 - NC	FTP	389.61	0	8,694.31
Serting Hilir 7 - NC	FTP	1,100.47	372	8,252.66
Tembangau - NC	Individual Supplier	-	-	2,636.80
Serting Hilir - NC	Individual Supplier	-	-	3,172.30
New Ah Po - NC	Individual Supplier	-	-	224.51
Ramli bin Udin - NC	Individual Supplier	-	-	5.42
Noh bin Idris - NC	Individual Supplier	-	-	6.59
Karip bin Mohd Salleh - NC	Individual Supplier	-	-	512.96
Zuraidah binti Mansor - NC	Individual Supplier	-	-	93.7
Halimah binti Nongan - NC	Individual Supplier	-	-	252.63
Ehsanuddin bin Tajuddin - NC	Individual Supplier	-	-	583.71
Md naser bin Md Zin - NC	Individual Supplier	-	-	382.29
Junaidi bin Hashim - NC	Individual Supplier	-	-	409.73
Eng Huat Latex Concebrate Sdn Bhd - NC	Individual Supplier	-	-	2,738.89
Eratudiza binti Ghazi - NC	Individual Supplier	-	-	269.16
Koperasi Peneroka FELDA Tembangau 1 Berhad - NC	Individual Supplier	-	-	2,662.83
Masjid Felda Serting Hilir Kompleks - NC	Individual Supplier	-	-	113.5
Seng Highland Fruit Trading - NC	Individual Supplier	-	-	55.66
Faridzul bin Mohamad Isa - NC	Individual Supplier	-	-	524
TOTAL				205,525.25

**Production data source from 8 February 2019 – January 2020*

1.7.4	Product categories			FFB, CPO, PK	
1.8	Tonnage of Product				
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT) 8 February 2019 – 7 February 2020	Last Year Actual Certified Volume (MT) 08 February 2019 – 31 January 2020
	FFB Processed			161,968	91,324.57
	CPO Production			30,774	16,056.96
	Palm Kernel (PK) Production			8,908	4,392.98
	<i>The supply base in certification scope only supplied 64.32% from the estate production</i>				
1.8.2	Product selling				
	Type of selling product			Actual selling product for last year (MT) 08 February 2019 – 31 January 2020	
	CSPO sold as RSPO certified product			5,763.57	
	CSPK sold as RSPO certified product			1,376.57	
	CSPO sold under other scheme			4,984.44	
	CSPK sold under other scheme			-	
	CSPO sold as conventional			-	
	CSPK sold as conventional			-	
1.8.3	Estimate of Certified FFB Claim				
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
	FGVPM Tembangau 3	2,458.04	2,428.04	42,228	17.39
	FGVPM Tembangau 5	3,333.33	3,301.33	26,369	7.99
	FGVPM Tembangau 6	1,949.72	1,737.32	10,604	6.10
	FGVPM Tembangau 7	2,214.49	2,186.49	15,134	6.92
	FGVPM Tembangau 8	1,652.83	1,626.83	8,989	5.53
	FGVPM Tembangau 9	1,202.75	1,178.75	25,020	21.23
	FGVPM Serting Hilir 9	1,849.06	1,779.62	14,176	7.97
	FASSB Serting Hilir	316.72	300.72	3,680	12.24
	TOTAL	14,976.94	14,539.10	146,200	10.06
	<i>*Projected FFB production period February 2020 – January 2021</i>				
1.8.4	Estimate of Certified Palm Product Claim				
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes) Extraction (%)	Palm Kernel Out put (tonnes) Extraction (%) Supply Chain Module
	Serting Hilir	60	146,200	28,700 19.00	8,000 5.50 MB
	<i>*Projected FFB production period February 2020 – January 2021</i>				
1.9	Other Certifications				
	MSPO			Certificate No. MUTU-MSPO/016 dated September 18 th 2018 until September 17 th 2023 by Mutuagung Lestari.	

1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	Mill	Time bound				
	Kota Gelanggi	2018	FASSB PPPTR; FASSB Kota Gelanggi 5/6	2018	Pos Felda Kota Gelanggi.27000 Jerantut, Pahang	Certified
	Lepar Utara 6	2017	FGVPM Lepar Utara 7 FGVPM Lepar Utara 8 FGVPM Lepar Utara 9 FGVPM Lepar Utara 11	2017	Peti Surat 12 & 2020 26400 Bandar Pusat Jengka Pahang	Certified
	Jengka 21	2018	FASSB Jengka 24/25	2018	Bandar Pusat Jengka, 26400 Pahang	Certified
	Jengka 3	2022	Felda Settlers	2022	26400 Bandar Jengka. Pahang	-
	Jengka 8	2022	Felda Settlers	2022	26400, Bandar Tun Abdul Razak Jengka, Pahang	-
	Lepar Utara 4	2017	FGVPM Lepar Utara 4 FGVPM Lepar Utara 10 FGVPM Lepar Utara 14	2017	26400 Bandar Pusat Jengka, Pahang	Certified
	Jengka 18	2022	Felda Settlers	2022	26400 Bandar Pusat Jengka, Jengka, Pahang	-
	Padang Piol	2022	Felda Settlers	2022	27040 Jerantut, Pahang	-
	Adela	2018	FGVPM Kledang 02	2018	PO Box 73, Bandar Penawar, Kota Tinggi 81930 Johor	Certified
	Lok Heng	2020	Felda Settlers	2020	PO Box 55, 81907 Kota Tinggi, Johor	-
	Semenchu	2020	Felda Settlers	2020	Peti Surat 63, 81907 Kota Tinggi, Johor	-
	Wa Ha	2020	Felda Settlers	2020	Karung Kunci S24, 81907 Kota Tinggi, Johor	Initial Assessment
	Bukit Kepayang	2018	FGVPM Terapai 3	2018	28300 Triang, Pahang	Initial Assessment
	Bukit Mendi	2022	Felda Settlers	2022	28320 Triang, Pahang	-
	Kemasul	2017	FGVPM Mengkarak 1 FGVPM Mengkarak 2	2017	28300 Triang, Pahang	Certified
	Tementi	2019	FGVPM Bera Selatan 1 FGVPM Bera Selatan 4	2019	38300 Triang, Pahang	IC
	Triang	2017	FGVPM Triang 2 FGVPM Triang Selatan 1 FGVPM Triang 4	2017	28300 Triang, Pahang	Certified
	Belitong	2018	FASSB Ulu Belitong FGVPM Bukit Tongkat B	2018	Peti Surat 61, 86007 Kluang, Johor	Certified
	Bukit Besar	2020	Felda Settlers	2020	81450 Kulai, Johor	-

	Kahang	2020	Felda Settlers	2020	Karung Berkunci No. 533, 86007 Kluang, Johor	-
	Kulai	2020	FASSB Bukit Besar/Taib Andak	2020	Felda Taib Andak, 81000, Kulai, Johor	-
	Nitar	2017	FGVPM Nitar Timur	2018	KM 13 Jalan Mersing Kluang 86800 Mersing Johor.	Certified
	Penggeli	2018	FGVPM Inas Selatan	2018	Peti Surat 28, 81440 Bandar Tenggara, Johor	Certified
	Lepar Hilir	2017	FGVPM Lepar Hilir 5 FGVPM Lepar Hilir 6 FGVPM Lepar Hilir 8	2017	Gambang, Pahang	Certified
	Bukit Sagu	2017	FGVPM Bukit Sagu 4 FGVPM Bukit Sagu 6 FGVPM Bukit Sagu 7 FGVPM Bukit Sagu 8	2017	Peti surat 331, 26130 Kuantan, Pahang	Certified
	Baiduri Ayu	2019	FGVPM Sahabat 9 FGVPM Sahabat 16 FGVPM Sahabat 55	2019	Peti Surat 29, Pos Cenderawasih, 91150 Lahad Datu, Sabah	IC
	Kembara Sakti	2019	FGVPM Sahabat 30 FGVPM Sahabat 35 FGVPM Sahabat 40 FGVPM Sahabat 41 FGVPM Sahabat 42 FGVPM Sahabat 43	2019	Peti Surat 24, 91150, Cenderawasih, Lahad Datu, Sabah	IC
	Mercu Puspita	2019	FGVPM Sahabat 7 FGVPM Sahabat 46 FGVPM Sahabat 48 FASSB Sahabat 6	2019	Peti Surat 29, 91150, Cenderawasih, Lahad Datu, Sabah	-
	Nilam Permata	2019	FGVPM Sahabat 50 FGVPM Sahabat 51 FGVPM Sahabat 52 FGVPM Sahabat 53 FGVPM Sahabat 54	2019	Peti Surat 23, 91150, Cenderawasih, Lahad Datu, Sabah	IC
	Hampan Badai	2019	FGVPM Sahabat 23 FGVPM Sahabat 24 FGVPM Sahabat 26 FGVPM Sahabat 28 FGVPM Sahabat 31 FGVPM Sahabat 33 FGVPM Sahabat 34 FASSB Tambisan	2019	Peti Surat 25, 91150, Cenderawasih, Lahad Datu, Sabah	IC
	Embara Budi	2019	FGVPM Sahabat 11 FGVPM Sahabat 12 FGVPM Sahabat 17 FGVPM Sahabat 56 FGVPM Sahabat 20 FGVPM Sahabat 21 FGVPM Sahabat 22 FGVPM Sahabat 25	2019	Peti Surat No. 28, 91105 Lahad Datu, Sabah	IC

Lancang Kemudi	2019	FGVPM Sahabat 10 FGVPM Sahabat 36 FGVPM Sahabat 38 FGVPM Sahabat 39 FGVPM Sahabat 44 FGVPM Sahabat 45	2019	Felda Sahabat 45, Lahad Datu, Sabah	IC
Kalabakan	2019	FGVPM Kalabakan Utara 1 FGVPM Kalabakan Tengah 1 FGVPM Kalabakan Selatan	2019	Peti Surat No. 62007, 91030 Tawau, Sabah	IC
Umas	2019	FGVPM Umas 5 FGVPM Umas 6	2019	WDT 43,91009, Tawau, Sabah	IC
Besout	2017	FGVPM Besout 6, FGVPM Besout 7	2017	35600 Sungkai, Perak	Certified
Trolak	2020	Felda Settlers	2020	Pejabat POS Sungkai, 35600 Sungkai, Perak	-
Krau	2017	FGVPM Krau 2 FGVPM Krau 4	2017	Peti Surat 17, 28700 Bentong, Pahang	Certified
Panching	2020	Felda Settlers	2020	Peti Surat 257, 25730 Kuantan, Pahang	-
Neram	2018	FGVPM Cherul 03	2018	Pejabat Pos Mini Felda Neram 1, 26160 Kuantan, Pahang	Certified
Mempaga	2021	Felda Settlers	2021	28600 Karak, Pahang	-
Chalok	2018	FGVPM Setiu 1	2018	21450 Setiu Terengganu	Certified
Sg Tenggi	2021	Felda Settlers	2021	Felda Gedangsa, 44010 Kuala Kubu Bahru, Selangor	-
Serting	2018	FGVPM Palong 17 FGVPM Palong 18 FGVPM Palong 21	2018	Bandar Baru Serting, 72109 Jempol, Negeri Sembilan	Certified
Keratong 02	2018	FGVPM Bera Selatan 3	2018	Peti Surat 28, 26900 Bandar Tun Razak, Pahang	Certified
Keratong 03	2018	FGVPM Keratong 11	2018	Peti Surat 21, 26900 Bandar Tun Razak, Pahang	Certified
Pasoh	2020	Felda Settlers	2020	72300 Simpang Pertang, Negeri Sembilan	-
Kerteh	2017	FASSB Kerteh FGVPM Semaring 01	2018	Beg berkunci No. 3, 23309 Ketengah Jaya, Terengganu	Certified
Selendang	2017	FGVPM Selendang 3 FGVPM Selendang 4 FGVPM Selendang 5 FGVPM Berabong 1	2017	Pejabat Pos Kuala Rompin, 26800 Rompin, Pahang	Certified
Selancar 2A	2020	Felda Settlers	2020	Peti Surat 98, 85007 Segamat, Johor	-

Selancar 2B	2017	FGVPM Selancar 6 FGVPM Selancar 8 FGVPM Selancar 9	2017	Peti Surat 98, 85007 Segamat, Johor	Certified
Jerangau Barat	2020	Felda Settlers	2020	Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	-
Jerangau Baru	2017	FGVPM Rantau Abang 1 FGVPM Rantau Abang 2 FGVPM Chador 1	2018	Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	Certified
Palong Timur	2017	FGVPM Palong Timur 4/5; FGVPM PALONG TIMUR 06	2017	Peti Surat 2, 73400 Gemmas, Negeri Sembilan	Certified
Serting Hilir	2018	FGVPM Tembangau 3 FGVPM Tembangau 5 FGVPM Tembangau 6 FGVPM Tembangau 7 FGVPM Tembangau 8 FGVPM Tembangau 9 FASSB Serting Hilir	2018	72120 Bandar Baru Serting, Negeri Sembilan	Certified
Maokil	2017	FGVPM Maokil 6 FGVPM Maokil 7	2017	Jalan Kilang, Rancangan Felda Maokil, 85300 Labis, Johor	Certified
Tenggaroh	2018	FGVPM Tenggaroh 9 FGVPM Tenggaroh 11 FGVPM Tenggaroh 13	2018	86810 Jalan Jemaluang, Mersing Johor	Certified
Tenggaroh Timur	2019	FGVPM Tenggaroh 12 FGVPM Tenggaroh Timur 2	2019	Karung Berkunci No. 534, 81907 Kota Tinggi, Johor	IC
Keratong 09	2017	FGVPM Bera Selatan 5 FGVPM Bera Selatan 7 FGVPM Merchong FGVPM Keratong Timur FASSB Merchong	2017	Peti Surat 32, 26900 Bandar Tun Razak, Pahang	Certified
Kechau B	2017	FGVPM Kechau 6 FGVPM Kechau 8 FGVPM Kechau 9 FGVPM Kechau 10	2017	Peti Surat 57, 27200 Kuala Lipis, Pahang	Certified
Chiku	2018	FGVPM Ciku 4 FGVPM Ciku 8	2018	Peti Surat 29, 18300 Gua Musang, Kelantan	Certified
Aring.A	2017	FGVPM Aring 2 FGVPM Aring 3 FGVPM Aring 4 FGVPM Aring 5 FGVPM Aring 6 FGVPM Aring 8 FGVPM Aring 10 FGVPM Aring 11 FGVPM Aring 15	2017	Kelantan, MALAYSIA	Certified

	Kemahang	2020	Felda Settlers	2020	Peti Surat 35, 17507 Tanah Merah, Kelantan	-
	Tersang	2020	Felda Settlers	2020	27600 Raub, Pahang	-
	Chini 2	2020	Felda Settlers	2020	26690 Chini, Pahang	-
	Chini 3	2017	FGVPM Terapai 1 FGVPM Chini Timur 4	2018	26690 Chini, Pahang	Certified
	Sampadi	2019	FGVPM Sampadi 1 FGVPM Sampadi 3 FGVPM Sampadi 4 FGVPM Sampadi 5 FGVPM Sampadi 6	2019	Peti Surat 18, 94507 Lundu, Sarawak	Certified
	Air Tawar	2020	Felda Settlers	2020	81900 Kota Tinggi, Johor	-
	Pontian United Plantation	2019	Pontian Fico Pontian Subok Pontian Orico Pontian Pendirosa Pontian Kuril Pontian Hilco Rawajaya Sdn Bhd Blossom Plantation Sdn Bhd	2019	KM52 off Jalan Sandakan-Lahad Datu, PO Box 60525, 91114 Lahad Datu, Sabah	IC
	FGV Asian Milling Plantation	2021	Inco Setia Sdn Bhd Kronos Plantation Sdn Bhd Fortune Plantation Sdn Bhd BJ Corporatio Sdn Bhd	2021	Malaysia	-
	FGV Yapid Mas (Golden Land)	2021	15 Estate : Sri Kehuma Yapidmas AE Tanah Emas Corporation Bhd Ladang Kluang Yapidmas D Sri Mosta 1 Sri Mosta 2 Sri Mosta 3 Cepat Ringgit A Cepat Ringgit B Cepat Ringgit D Karamuak Sg Milian Sg Imbak Kuamat Sg Imbak Kuamat	2021	Malaysia	-
	PT Citra Niaga Perkasa	2021	PT Citra Niaga Perkasa Estate	2021	Indonesia	-
	PT Temila Agro Abadi	2021	PT Temila Agro Abadi Estate	2021	Indonesia	-

	FGV estate without FGV mill (FGVPM Paloh)	2021	FGVPM Paloh Estate	2021	Malaysia	-
	*FGV TBP as per 04 March 2020 developed by sustainability team					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	There is no Associated Smallholders that's supply FFB to Seriting Hilir POM					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
	<p>1. Arif Faisal Simatupang (Lead Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm plantation company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit, he was assessing the aspects of best management practices, long term plan, and SCCS.</p> <p>2. Sandra Purba (Auditor). Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG verifier and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. On this audit, she assigned to verify land legality, worker welfare and OHS.</p> <p>3. Ebnu Holdoon Sahwal (Auditor). Malaysia Citizen. 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 is fluent in local language. He has followed for various RSPO audits. Fluent in Bahasa, Malay and English. At the time of audit, has verify aspect of, Transparency, GHG, HCV, social, and Environmental Aspect</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
	<p>Number of auditors : 3 auditor</p> <p>Number of days for ASA-4 at site: 5 days</p> <p>Number of working days for ASA-4 at site : 15 Working days</p>
2.2.2	Assessment Process
	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the for FGVPI Kilang Sawit Seriting Hilir, FGVPM Tembangau 3, FGVPM Tembangau 5, FGVPM Tembangau 6, FGVPM Tembangau 7, FGVPM Tembangau 8, FGVPM Tembangau 9, FGVPM Seriting Hilir 9 and FASSB Seriting Hilir and its supply base to the requirements of Malaysia National Interpretation (MYNI) 2019 of The RSPO Principles and Criteria 2018 for Sustainable Palm Oil Production, RSPO Certification Systems for Principles & Criteria June 2017. Endorsed by the RSPO Board of Governors on 14th of June 2017</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some nonconformities and opportunities for improvement of the results ASA 1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2). Improvement</p>

	<p>of findings from main assesment findings were observed by auditors at this ASA 1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 1.</p> <p>The assessment program please find Appendix 2.</p>
2.2.3	<p>Locations of Assessment</p> <p>Number of units in this certification activity is eight estates, which supply the raw material (FFB) to Kilang Kelapa Sawit Serting Hilir. In conducting the assessment, the team of auditors used the $0.8\sqrt{y \times z}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are One palm oil mill (Serting Hilir POM) and three estates (FGVP Tembangau 3 Estate, FGVP Tembangau 5 Estate and FGVP Tembangau 6 Estate).</p> <p>Serting Hilir POM</p> <ul style="list-style-type: none"> - Security Post. Observation related to the acceptance of FFB and employment aspect of securities. - Weighbridge Station. Observation and interview related of supply chain implementation, and weighbridge calibration. - Grading Station. Observations and interviews related to FFB quality, handling of FFB that did not pass the criteria, OHS and employment. - Storage Tank. Auditor was observe 4 unit tank with capacity @ 1800 MT. - Kernel Dispatch. There are 1 bunker & 1 dispatch. - Workers facility (housing, sport facility). Observation and interview related to workers welfare such as house facilities, Water, Electricity, Sanitation, workers' wages and benefits, complaints mechanisms and response to complaints - Water Treatment Plant. Observations and interviews related to water management, recording of water use, health checks, PPE and waste management - Workshop. Observation and interview with mechanic and welder related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare - Kernel Plant Station. Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. - Boiler Station. Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. - Fire Station. Observation the infrastructure in mill for fire emergencies. - Press Station. Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. - Chemical Store Field observation at FGV Tembangau ESTATES visited. Sighted a proper chemical rack including the safety data sheet available. The competence person that in charge of the store been interviewed. Clear understanding of the workers knowledge related to safety, and material handling verified. Pesticides classification available Class 3 (<i>Acephate</i>) and 4 available and signboard including display and warning signage been displayed outside the store chemical room. Sighted the symbol and warning of pregnant woman and breastfeeding can't enter the premises - POME Ponds. Observation of POME Ponds best practice, environmental and OHS aspects. - Schedule Waste. Observation of schedule waste best practice, environmental and OHS aspects. - Store Workshop. Workshop at the estates sampling visited. Sighted the workshop had conducted the 5 S system in order to arrange the tools and operation. The workshop foreman been interviewed and they understand very well related to workshop operation company policy. First Aid kit available and updated by Safety Health Officer and safety signage displayed. Proper spill kit available and oil trap sump had been installed in the workshop to trap the oil before the water been discharged.

Tembangau 03 Estate

- **FFB Harvesting, Block 16.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **Barn Owl Box, Block 16.** Observation of IPM, related to suppress rat infestation by installing and monitoring barn owl boxes.
- **Manuring, Block 21.** Interviews of manuring mechanism, work tools, chemicals used, doses used, medical examinations, PPE, labor aspect and environmental.
- **Triple Rinses Area and chemical mixing.** Triple rinse store available inside Estate. The Scheduled waste store for the had been plan to be centralized at FGVP M Seriting Hilir 08. The plan sighted and budget allocated by FGVP M. The competence person which is the Assistant manager of the estate had been send to the EIMAS Training to get the competence license by DOE. Future centralized area of scheduled waste area set up in Tenggaroh 13. Sighted the proper handling and disposal of the triple rinsed container to registered collector and consignment note available. The store been properly build up to contain the triple rinsed produce from the estate and sump container observed. No leakage sighted and proper maintenance of store observed.
- **Housing Area of FGV Tembangau 3:** housing area visited. New improvement observed compare to last year at all housing area of FGV estate. Budget allocated for the house repairing amounted RM 300,0000.00. New bed, mats, locker room, sliding tray under the bed, new toilet repair, and sighted also the Lestari Housing for the FGV future house in development for FGV tembangau Complexes Based on the observation and interview each house have 3 workers / maximum 4 workers in the house. Proper electricity supply and clean water available. Sighted the first aid kit available, fire extinguisher and the *Peti Aduan* for the workers to make the complaint. 3 workers from each estate interviewed comprising the foreign workers [Indonesia and India= total 9] and 6 local workers in total being interviewed and cross checking. The workers kept the passport in the estate office as per procedure.
- **Fire Fighting Facilities.** Firefighting system available at the mill, diesel tank, storage area, housing area, and water treatment plant. Sighted the training been made by the estate and mill management related to fire fighter operation by BOMBA Malaysia.
- **Fertilizer store.** Fertilizer warehouse visited in each Estate. Sighted proper stacking fertilizer in the estate however during the audit, the manuring cycled passed. Proper store room fertilizer sighted, covered and ventilated. Sighted the SDS for each fertilizer available.
- **Boundary stone in block 16, block 22 and block 24.** Observation related to legal boundary and land dispute
- **Buffer zone of Hutan Kekalan Ramsar.** Observation related to conservation and biodiversity aspect.

Tembangau 5 Estate

- **Domestic Waste Landfill, Block 36.** Observation related domestic waste management.
- **Replanting Area of 2019, Block 23.** Observation related zero burning replanting method, soil and water conservation.
- **Spraying Circle & Path, Block 24.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environmental.
- **FFB Harvesting, Block 35.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **FFB Transport, Block 35.** Observation and interviews with clerk related FFB transport, traveling time to mill, OHS, and employment.
- **Barn Owl Box, Block 35.** Observation of IPM, related to suppress rat infestation by installing and monitoring barn owl boxes.
- **Pheromone Traps Application, Block 23.** Observation of biological control of *Oryctes rhinoceros* in immature oil palm.
- **EFB Mulching Application, Block 23.** Observations related EFB mulching application as nutrient cycle on immature area, dosage and method of applications, soil condition, OHS and employment.
- **Hilly Area, Block 23.** Observations related soil and water conservation on hilly/slope area, individual and contour terrace, as well as cover crop.
- **Triple Rinses Area and chemical mixing.** Triple rinse store available inside Estate. The Scheduled waste store for the had been plan to be centralized at FGVP M Seriting Hilir 08. The plan sighted and budget allocated by FGVP M. The competence person which is the Assistant manager of the estate had been send to the EIMAS

- Training to get the competence license by DOE. Future centralized area of scheduled waste area set up in Tenggara 13. Sighted the proper handling and disposal of the triple rinsed container to registered collector and consignment note available. The store been properly build up to contain the triple rinsed produce from the estate and sump container observed. No leakage sighted and proper maintenance of store observed.
- **Housing Area of FGV Tembangau 5:** housing area visited. New improvement observed compare to last year at all housing area of FGV estate. Budget allocated for the house repairing amounted RM 300,0000.00. New bed, mats, locker room, sliding tray under the bed, new toilet repair, and sighted also the Lestari Housing for the FGV future house in development for FGV tembangau Complexes Based on the observation and interview each house have 3 workers / maximum 4 workers in the house. Proper electricity supply and clean water available. Sighted the first aid kit available, fire extinguisher and the *Peti Aduan* for the workers to make the complaint. 3 workers from each estate interviewed comprising the foreign workers [Indonesia and India= total 9] and 6 local workers in total being interviewed and cross checking. The workers kept the passport in the estate office as per procedure.
 - **Fire Fighting Facilities.** Firefighting system available at the mill, diesel tank, storage area, housing area, and water treatment plant. Sighted the training been made by the estate and mill management related to fire fighter operation by BOMBA Malaysia.
 - **Fertilizer store.** Fertilizer warehouse visited in each Estate. Sighted proper stacking fertilizer in the estate however during the audit, the manuring cycled passed. Proper store room fertilizer sighted, covered and ventilated. Sighted the SDS for each fertilizer available.
 - **Boundary stones in block of 35 PM11D and block 37 PM11D.** Observation related to legal boundary and land dispute
 - **Kawasan buffer zone, block of 15 PM16M.** Observation related to conservation and biodiversity aspect.
 - **Swamp area, block of 32 PM00C.** Observation related to conservation and biodiversity aspect.

Tembangau 6 Estate

- **FFB Harvesting, Block 26.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **FFB Transport, Block 26.** Observation and interviews with clerk related FFB transport, traveling time to mill, OHS, and employment.
- **Barn Owl Box, Block 26.** Observation of IPM, related to supress rat infestation by installing and monitoring barn owl boxes.
- **Replanting Area of 2018, Block 15.** Observation related zero burning replanting method, soil and water conservation.
- **Spraying Circle & Path, Block 15.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environmental.
- **Pheromone Traps Application, Block 15.** Observation of biological control of *Oryctes rhinoceros* in immature oil palm.
- **EFB Mulching Application, Block 15.** Observations related EFB mulching application as nutrient cycle on immature area, dosage and method of applications, soil condition, OHS and employment.
- **Hilly Area, Block 15.** Observations related soil and water conservation on hilly/slope area, individual and contour terrace, as well as cover crop.
- **Plot 10, Blok 26.** Observation of continuous improvement namely "Plot 10" as benchmark area for educational and training area.
- **Triple Rinses Area and chemical mixing.** Triple rinse store available inside Estate. The Scheduled waste store for the had been plan to be centralized at FGVP M Seriting Hilir 08. The plan sighted and budget allocated by FGVP M. The competence person which is the Assistant manager of the estate had been send to the EIMAS Training to get the competence license by DOE. Future centralized area of scheduled waste area set up in Tenggara 13. Sighted the proper handling and disposal of the triple rinsed container to registered collector and consignment note available. The store been properly build up to contain the triple rinsed produce from the estate and sump container observed. No leakage sighted and proper maintenance of store observed.
- **Housing Area of FGV Tembangau 6:** housing area visited. New improvement observed compare to last year at all housing area of FGV estate. Budget allocated for the house repairing amounted RM 300,0000.00. New bed, mats, locker room, sliding tray under the bed, new toilet repair, and sighted also the Lestari Housing for the FGV

	<p>future house in development for FGV tembangau Complexes Based on the observation and interview each house have 3 workers / maximum 4 workers in the house. Proper electricity supply and clean water available. Sighted the first aid kit available, fire extinguisher and the <i>Peti Aduan</i> for the workers to make the complaint. 3 workers from each estate interviewed comprising the foreign workers [Indonesia and India= total 9] and 6 local workers in total being interviewed and cross checking. The workers kept the passport in the estate office as per procedure.</p> <ul style="list-style-type: none"> - Fire Fighting Facilities. Firefighting system available at the mill, diesel tank, storage area, housing area, and water treatment plant. Sighted the training been made by the estate and mill management related to fire fighter operation by BOMBA Malaysia. - Fertilizer store. Fertilizer warehouse visited in each Estate. Sighted proper stacking fertilizer in the estate however during the audit, the manuring cycled passed. Proper store room fertilizer sighted, covered and ventilated. Sighted the SDS for each fertilizer available. - Riparian of Tembangau River, block of 9 PR18H. Observation related to conservation and biodiversity aspect. - Boundary stone in Block 3. Observation related to legal boundary and land dispute - Swamp area block of 21 PR17G. Observation related to conservation and biodiversity aspect. <p>Stakeholder</p> <ul style="list-style-type: none"> - FGV Contractor - Labour Union - Contractors - Foreign Workers representative (Bangladeshi, Nepal, India and Indonesian) - Gender Committee (GPW)
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Summary of stakeholder consultation process Consultation of stakeholders for KS Seriting Hilir, FGVPI Sdn Bhd – FGV Holdings Bhd was held by:</p> <ul style="list-style-type: none"> • Public Notification on website on January 17th, 2020. • Consultation with NGO of Pesticide Action Network Asia & Pacific, Environmental Protection Society Malaysia, and <i>Majlis Kebajikan dan Pembangunan Masyarakat Kebangsaan Malaysia</i> via email on February 3rd 2020. • Public consultation meeting with communities including previous land owner on February 5th, 2020 • Public consultation meeting with internal stakeholders and contractor on February 5th, 2020 <p>Numbers of input from stakeholders were clarified by KS Seriting Hilir, FGVPI Sdn Bhd – FGV Holdings Bhd.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-2) will be determined at least 8 to 12 months after the date of license certificate

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Kilang Sawit Seriting Hilir - FGV Palm Industries Sdn Bhd subsidiary of FGV Holdings Bhd operation consisting of one (1) mill and eight (8) oil palm estates.

During the assessment, there were one (1) Nonconformities were assigned against Critical Compliance Indicators, one (1) nonconformities were assigned against Non Critical Compliance Indicators and seven (7) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action's that had been reviewed and accepted by Auditor's in form of documentation evidences e.g. (document record/photographic/etc.). Those corrective actions taken that consist of one (1) Critical non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Kilang Sawit Seriting Hilir - FGV Palm Industries Sdn Bhd subsidiary of FGV Holdings Bhd complied with the requirements of **Malaysia National Interpretation (MYNI) 2019 of the RSPO Principles And Criteria 2018 for Sustainable Palm Oil Production, Endorsed by the RSPO Board of Governors on 7th November 2019 and RSPO Certification System for Principles and Criteria, 14 June 2017.**

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The FGV Holding Berhad has made publicly available the related document listed by the standard. It include the Land title of the management unit (mill and supply bases), license of MPOB, generator set, OSH plan of the mill and estate, risk assessment, mitigation plan (HIRARC document), Environmental Management Plan (EMP) and Environmental Risk Assessment (EIA) aspect and impact of the plantations activity towards the environment, waste management plan of scheduled waste and domestic waste were made available at the estate and mill.</p> <p>The dissemination of publicly document has been conducted on Stakeholder Meeting "<i>Majlis Perjumpaan Bersama Pihak Yang Berkepentingan/Stakeholder</i>" on 5th October 2017, attended by Government Agencies, Contractors, Head of Villagers, Schools, and other identified parties. According to the meeting minutes, all identified stakeholder had been explained with Standard Operating Procedure (SOP), Policies on communications and consultation, and publicly documents.</p>	
1.1.2	<p>The dissemination of publicly document has been conducted on Stakeholder Meeting "<i>Majlis Perjumpaan Bersama Pihak Yang Berkepentingan/Stakeholder</i>" on 5th October 2017 has been conducted in Melayu language. Other than that, the contractual agreement related employment has been made in dual languages, english and respective country (Bangladeshi, Indian, and Bahasa/Melayu). Sighted in the Estate Office that several announcement and procedure/policy dissemination has been made in Bangladeshi and/or Indian language. There were translator (<i>Juru Bahasa</i>) in every Estate from Indonesian, Bangladeshi and Indian. The auditor has meet the translators from Bangladeshi and Indian in</p>	

Tembangau 3, Tembangau 5, and Tembangau 6 Estates. From the consultations known the Translators have duty to give understanding of the contractual agreement, working procedures, RSPO P&C to the workers.

1.1.3

The company has logbook of information request in every unit. Based on verification, there was no written request of information related sustainability aspects from stakeholder during last year in Seriting Hilir Mill, Tembangau 3, Tembangau 5 and Tembangau 6 Estate.

1.1.4

The procedure related consultation and communication has been set in SOP of Communication, Participation, and Negotiation (*Komunikasi, Penglibatan dan Rundingan*) No. FGV/ML-1A/L2- Prl2. The time frame for external communication is two weeks from date of receiving the information and one week for investigation. External communication has been made a chart through the safety policy, social aspect, and external complain forward to Estate Manager, then the estate will comment and investigate, grievance procedure and all external communication will be recorded.

The information and procedure disseminated by the Management through muster morning meeting and displayed at morning roll call meeting, workshop, and office, or any informal occasions. Formal dissemination to external stakeholder has been conducted through stakeholders meeting on 5th October 2017 at Region/Bahau, that involve all parties related to the FGV operation. Sighted form the document attendant list of the related stakeholders that involve direct and indirect form operation of FGV Seriting Hilir complex. Based on interview with external stakeholder (contractors, teachers, local people, Ladang PKPP and Felcra), obtained information that they known the mechanism related communication and consultation to the company, for instance the submission of proposals.

1.1.5

The management Unit of FGV had updated the stakeholder list for both mill and estates. The stakeholder list had been divided into two section which is internal stakeholders and external stakeholders. The updated list comprising the local stakeholders including Auxilliary Police of FGV, Chairman of Natural Resource Conservation Agency (*Perhilitan Daerah Jempol*), Chairman of Occupational Health Agency (*Jawatan Kuasa Kesihatan Pekerjaan*), all FELDA Managers Seriting and Tembangau, Clerk for workers welfare, Assistant Managers, local contractors, and workers representative for Bangladeshi, Indian, Nepali and Indonesian.

Status: Comply

1.2

The unit of certification commits to ethical conduct in all business operations and transactions.

1.2.1

The FGV Holding Berhad has had Group Sustainability Policy dated 29 May 2019, that cover the policy aspects of social responsibility, responsible employment, respect of human rights, respect of community rights, health and safety, continuous improvement, environmental stewardship, no deforestation and planting on peat, high biodiversity value (HBV) and high conservation value (HCV), use of agrochemical, no open burning, water management, waste management, traceability, as well as transparency. The policy has been disseminated to the workers, for instance in Tembangau 6 on 15th October 2019, as well as displayed in Offices and storage area. Based on the interview with the contractors, the management had given them copy of booklet and company policy and sign the acceptance letter of receiving the booklet that the contractors will adhere to the company policies. In the contractual agreement with the workers and workers agency, there are clause related provision of the policy, such as no child labor, no human trafficking, etc.

1.2.2

Sighted the FGV Group Guidelines and Procedures for Responsible Recruitment of Foreign Workers (No. FGV/ FGVP- JTK / POL/ 001 dated 1st February 2019) which the system on code of ethical will be monitor through the details and been implemented in all business operations which commenced on comprising the new policy on recruitment FGV.

The company had developed a system related compliance and the implementation of the policy and overall ethical business practice for the whole FGV recruitment, business and all operations which is: Through e-procurement [procure-

here] system FGV → sign the code of ethical conduct → sign the confidentiality agreement of business ethical conduct → govern by all the GSP policy including anti-bribery policy, no door gift policy and Supplier code of conduct from the website. In the contractual agreement with the workers and workers agency, there are clause related provision of the policy, such as no child labor, no human trafficking, etc.

The company has logbook of complaint of external stakeholder (*Buku Rekod Aduan Stakeholder Luar*), and has Mail Box (*Peti Surat*) as well as Form of Complaint (*Borang Aduan*), available in the front of Estate Office. Based on verification, there was no written complaint related ethical conduct from stakeholder during last year in Seriting Hilir Mill, Tembangau 3, Tembangau 5 and Tembangau 6 Estate.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

There is compliance with all applicable local, national, and ratified international laws and regulations.

2.1.1

Related agronomy management practices, there was identification and assessment of the pesticides for each Estate, stated in document of Chemical Health Risk Assessment (CHRA) in accordance to Malaysian regulation, for instance in Tembangau 3 the last CHRA conducted on 3rd January 2020, and in Tembangau 6 conducted on 10th June 2016. The CHRA will be updated if there was any use of new pesticides. The assessment conducted by third party Occumed Consultancy & Services Sdn. Bhd.

All unit under Seriting Hilir complex has had MPOB License, issued by *Akta Lembaga Minyak Sawit Malaysia*, as follow:

- KS Seriting Hilir, no. 500159804000, activity for selling PK/CPO/SPO, purchased and divert FFB, storing PK/CPO/SPO and processing of FFB. Valid for 1 year since 1 April 2019 to 31 March 2020, capacity 360000 MT FFB per year.
- Tembangau 5, license no. 558658002000 valid since 1 March 2019 until 29 Feb 2020, area of 3587.25 Ha, activity for selling and diverts of FFB.
- Tembangau 3, no. 558663002000, activity for selling and divert of FFB, valid since 1 March 2019 – 29 Feb 2020, area of 2606.99 Ha
- Tembangau 6, license no. 559769002000 for activity of selling and divert of FFB since 1 April 2019 to 31 March 2020, area of 1902.41 Ha

Sighted the mill management continuously access to legal authorities' web portals and communicate with their legal team based in HQ for any developments and updates in the national and/or international legal and other requirements. During audit, the permits and licenses were sampled such as MPOB license for FFB, PK, CPO, SPO from 01/04/19 until 31/03/20, (license number 500159804000). Sighted license *Jadual Pematuhan Kilang Sawit Seriting* No. 004095 for the period of 01/07/19 until 30/06/20 with Capacity Maximum: 60 MT/Hours. Verified the daily throughput report for Jun'19 – Oct'19 which not exceeding. The Schedule Form A – Poison Ordinance 1952 to purchase, store and use of Sodium Hydroxide – s/n 004073 and Permit for diesel – 15,000 Liter, expires on 16/04/20 are readily available. Sighted the latest legal requirement update for the mill :

- Audiometric test newly made on 27th December 2019 on Friday which comprise 80 workers and 35 personnel . Notification dated 24th December 2019 for 2 unit Fume hood and 1 system connection
- Sighted the Person in-charge for CEPPOME – Palm oil mill effluent treatment dated 16th – 20th December 2019 at Training Centre Enviro Academy and been approved by HR department of FGVPI – Mr Abdullah Yaacob.
- Sighted the certificate for CEPSSWAM dated 21st March 2014 which been completed the Writing examination – and pass the competency license on 9th June 2014 – 8th June 2015. Sighted the latest license dated on : 3rd February 2019 and active status on EiMAS for registered competence person CEPSSWAM number 00816
- The boundary noise monitoring report → conducted on 25th October 2017 which recommended noise level

are 65 DbA at day time and 55 DbA at night time.

- Mill competency license number 003287 dated from 1st July 2019 – 30th June 2020 for the effluent discharge to water course

As for the FGVP, the legal requirement has been updated for the sample estates which are Tembangau 3,5 and 6 comprising :

- Control goods permit such as Diesel – refer to KPDN HEP.Bera (UKB) 12/13/20 SK 11/02 P/D validity from 29/10/2019 until 29th October 2020 (Serial Number C 001704, Total quantity = 10,920 Liters and Petrol 400 Liters)
- MPOB License dated 1st March 2019 until 29th February 2020 → total estate area 3587.25 [selling and shifting license number : 558658002000]
- Tembangau 6 → Diesel license for the estate serial number: C000007-Bera , total storage = 6500litres [referral PPDNKK . Bera (UKB) 12/13/26 SK 01/47/P/D. As for B30 diesel usage for 2 tractors → (Tractor and Mini Tractor) scissor lift tractor → application for My License MPOB dated 23rd January 2020 – DM License (fee amount of Rm 100.00) application to MPOB
- Approval for the continuation of permanent housing dated 11th March 2019 referring to Pelan Number JKTSM : PR (S) -01/2010 → number drawing FPSB/24/B/12/07/1-12 → extension for 2 years until 7th March 2021
- Pelan number BSM: PR (K) -21/99 permanent workers housing – Drawing number : FPSB/26/B(B) 7 / 99 / 1-13
- MPOB License number → 559769002000 – Palm Oil license for 1 year dated 1st April 2019 until 31st March 2020 for Tembangau 6 estate 06 Mukim Bera (1901.41 HA)
- Workers' Hostel license approval number PHG.TMLH.07/2017 (Temerloh Dated 20th March 2019 from JTK Negeri Pahang

The mill management has initiated the Fire Certificate application [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. Sighted the 1st phase budget approval for Fire Fighting System dated on 16/05/2019 which allows the JKK (*Jabatan Khidmat Korporat*) to proceed sourcing for drawing and submission. Based on the time bound plan for the FGVPISB, the Serling Hilir POM to obtain fire certificate by 2020. This become opportunity for improvement for the company to monitor the training **OFI**.

As for compliance against *Jadual Pemuatan*, Point 31, the Mill has no competent person as Certified Environmental Professional in the Treatment of Palm Oil Mill Effluent – Pond Processes. However, the mill had send the application for the Mill Manager of Serling Hilir to attend the course from DOE -EIMAS. This become opportunity for improvement for the company to monitor the training **OFI**.

2.1.2

There is a "Legal & Requirements Register" established by the SCC (Sustainability, Certification & Compliance) which verified for compliance by the mill's assistants. Seen a compliance checklist established and last reviewed on 25/01/19 for monitoring of environment, safety, and health, etc. Sighted the list of compliance updated and circulated to mill by the sustainability team from HQ.

A mechanism to ensure compliance to LORR has been documented in FGV/ML-1A/L2-Pr6 dated 01/06/16. Sampled in Tembangau 05 of the compliance levels such annual medical surveillance done in estate office against USECHH 2000, Reg. 27 – for 25 workers dated 11/10/19. Final report pending from vendor. PPE Reg. 16(3), Chemical registration Reg. 05 and Training Program Re. 22 & 23 and the permit for diesel expired on 29/08/19 and the office staff had applied online – BLESS a month earlier. However, the copy of permit yet to receive from agency (# PKPDNHEP.BERA (UKB)12/13/20 SK [10,000 Liter].

In Tembangau 06, sighted the permit for salary deduction approval from *Jabatan Tenaga Kerja Semenanjung Malaysia* as per *Sek 22 Akta Kerja* 1955 dated 19/07/16 and the registration of eSwis as per required by 5th Schedule, Regulation 11 EAQ 1974 (Schedule Waste 2005) done on 07/11/19 and pending for approval by DOE. Sighted the additional CHRA been conducted dated 13th November 2019 for chemical pesticide applicator and fertilizer applicator :

Pesticide Applicator :

- Glyphosate Potassium (48.7%0 CAS No. 39600-42-5) Liquid – eye irritation → NA(Hazard Rating)

- Alpha Amylase <0.1% (Activator Plus) → Physical Form Solid → classification Hazard (Non Hazardous) → NA
- Fertilizer Applicator
- Bayfila (Ammonium Nitrate > 10%, Potassium Nitrate >10% , → Physical form Liquid → classification Eye dam(1/H3318) → NA
 - NPK Compounds Fertilizer → Solid Granules → eye Irritation , Skin Irritation → NA
- Summary of control :
- Control Measures Pesticides : Natural ventilation / Chemical Googles → Adequate Control Measure and need to maintain current control
 - Control Measures Fertilizer → natural ventilation/ cotton gloves / body apron → risk conclusion – AP3 : Adequate Control measure and need to maintain current control.

2.1.3

FGVP(M) has procedure No.FGV/ML-1A/L2-Pr10, dated 1 June 2016 about Identification and settlement of land disputes. Based on field observation of boundary stones and land demarcation (Tembangau 3 Block 16, 22 and 24; Tembangau 5 Block 35 and 37; Tembangau 6 Block 3), known that land boundaries were clearly demarcated and visibly maintained through boundary stones, boundary road, and boundary trenches. It was also known that there are no indications of land disputes. However, according to the boundary monitoring manifested on the Map of Boundary Stones, known that not all boundary stones has been installed yet. The company has had the program of boundary stone installation, and the documentation of the installation progress. This become opportunity for improvement for the company to monitor the re-installation of boundary stones in all estates. OFI.

Status: Comply

2.2

All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.

2.2.1, 2.2.2 and 2.2.3

Sighted the Supplier Code of Conduct (SCOC) had been signed and company stamping by the director of Eng Huat Latex Concentrate Sdn Bhd for the contract. Based on year 2020, the external supplier is limited to Eng Huat due to oversupplied by internal estates supplier such as Felda and FTP dealers.

- List contractor (including recruitment Agencies) been maintained at the estate which stated the signature from contractors for SCOC agreement. Sighted the SCOC for the FGV T3 that been signed for Mr Junaidi Bin Hashim, → contract workers in the estate between Junaidi Hashim and Zamri bin Ali (sub contractor) sighted the FGV SCOC had been signed on April 2019. The agencies registered with FGV had been screening by the FGV recruitment team before the selection fo migrant workers and registre with ministry of labour Malaysia for Government to Government recruitment and registration.
- FFB Transport of Bin System at PKT 99 C details : 1, SPK , Insurance for SPK , , sub contractor letter agreement -Signed SCOC on 4th February 2020
- FFB Transport Bin System 00905751 – K : sighted the details been listed including the insurance , SOCSO, KWSP – signed the SCOC on 4th February 2020
- Five Zal Enterprise → Angkut BTS ke Kilang dated 1st July 2019 until 30th June 2019 Contract payment, submitted , including payment form FGV to the contractor been sighted. [from Tembangau 6 to bank in Malayan Banking amount total of 2223.72 dated 14th February 2019]
- Koperasi Felda Tembangau 1 → dated 1st July 2019 until 30th June 2019

The SCOC that has been signed from FGV had contained a clause of :

- 5.0 Labour standards→ 5.1 : Labour Law : suppliers shall not employ force labor which consist of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty and include any kind of involuntarily or compulsory labor . they shall comply to industry norms and all applicable local labor laws which include but not limited to working hours, working permit

- 5.2 : Suppliers shall not employ child labor in a manner that is economically exploitative , or is likely to be hazardous or to interfere with the child's education or to be harmful to the child health r physical, mental, spiritual, moral or social development at any stage of the contract period

Status: Comply

2.3

All FFB supplies from outside the unit of certification are from legal sources.

2.3.1 and 2.3.2

Based on the details the mill had divided the source of FFB into two parts, Direct and Indirect suppliers. Sighted the direct sources including Geo location of FFB As follows :

Estate Sources	Size of hectarage (ha)	Geo Location
Ladang Serting Hilir 8	1704.82	E 102 29' 56", N 2 56' 43"
FGVASB Serting Hilir	300.71	E 102 34' 47", N 2 56' 13"
Ladang Felda Tembangau 8	1754.00	E 102 35' 17", N 2 59' 20"
Ladang Felda Tembangau 9	1178.75	E 102 31' 21", N 3 1' 38"
Ldang Felda Tembangau 3	2624.49	E 102 35' 17", N 2 59' 20"
Ladang Felda Tembangau 7	2460.34	E 102 31' 53", N 3 01' 43"
Ladang Felda Tembangau 5	3422.24	E 102 32' 20", N 3 02' 14"

Sighted the list of direct supplier from Felda Scheme smallholders as follows :

Direct Suppliers			
FGVPM Tembangau 3	MPOB License : 558663002000	FTPSB Sungai Lui	FTP Tembangau 1
FGVPM Tembangau 5	558658002000	FTP Lui Timur	FTP Tembangau 2
FGVPM Tembangau 7	558662002000	PTS Lui Muda	Felda Lui Barat
FGVPM Tembangau 8	559792002000	FTP Felda Lui Selatan 1	Felda Tembangau 2
FGVPM Serting Hilir 9	616090002000	FTP Tembangau 1	Felda SH 4
FGVPM Tembangau 9	504068202000	FTP Tembnagau 2	Selda SH 6
Felda Lui Selatan 2		JKKR Felda Sertign Hilir 4	Felda SH 7
Felda Tembangau		JKKP Felda Sertign Hilir 6	Felda Lui Barat
Felda Serting Hilir 5		JKKP Felda Serting Hilir 7	

List of Indirect Supplier 2019

Zuraidah Binti Mansor	Kopereasi Peneroka Felda tembangau	NEW Ah Po
Halimah binti Nongan	Masjid Felda Serting Hilir Komplek	Felda Lui Muda
Md Naser Bin Md zain	Faridzul bin Mohamad Isa	Serting Hilir Agro
Junaidi Bin Hashim	Lui Sawit REnterprise	NEW Ah Po
FTP Lui Muda	Felda Sungai Lui	
FTP Tembangau 1	Felda Lui timur	
FASSSB Tembangau 9	BKF Sdn Bhd	
Eng Huat Latex Concentrate Sdn Bhd	Bestrich Start Sdn Bhd	

The remaining related to valid land used by the management is still in progress due to complexity of the grant. The monitoring progress will be checked on the next assessment.

Status: Comply

PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE
3.1

There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.

3.1.1

Serting Hilir Mill and its supply base has made long term work plan year of 2018 – 2022. It consists estimation data of FFB projection, prices per ton, revenue, operating cost, total cost and profit. The document also equipped with 5 years production backward, hectare statement, yield, OER/KER and CPO/PK projection. Based on interview with estate manager known there is no land expansion plan so far or mill capacity extension.

3.1.2

Management units have a replanting program for five years, for instance as follow:

Estate	2018	2019	2020	2021	2022
Tembangau 03	-	-	-	-	-
Tembangau 05	461.55	223.46	-	319.05	-
Tembangau 06	441.41	-	-	-	-
Tembangau 07	321.11	422.79	323.07	415.36	-
Tembangau 08	442.40	307.96	-	-	-

Based on document review and field observation in Tembangau 5, the unit conducted 2019 replanting activity amount of 223.07 ha in accordance to the programs.

3.1.3

The management review conducted annually for every unit. For instance, the latest management review of Serting Hilir Mill conducted on 5 September 2019, the review including related to RSPO implementation by supplier. Management review covers aspect of production, trainings, workers, OHS, environment and SCCS.

Status: Comply

3.2

The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.

3.2.1

The company has made continuous improvements in the field of best management practices, by making a comprehensive and integrated map consisting of harvest rotation maps, fertilization maps, spraying maps, barn owl boxes maps, etc. In the map, programs and realization of various types of activities can be seen, making it easier to monitor and supervising.

Sighted the continuous improvement for the mill which include the desludging of the mill pond – dated 17th December 2019 [refer ; 230 4058 /STGH /870/2019Pt. 1] for the contract which Involved pond : Facultative Pond A , Facultative Pond B , Algae Pond 1A, Cooling Pond 1, Kolam Dumping (18 Kolam) Justify to ensure the BOD Level is below level of Department of environmental Malaysia regulation. Sighted based on the document verification and also site observation including interview, the sampling estates had implemented several continuous improvement for the whole year 2019 and early 2020 which include:

- Sighted the Visual control Method- Using the Map pasted on the wall to monitor the progress of spraying, harvesting and all activities inside the estate
- Usage of mechanization – Motor Tractor Grabber (MTG) for fruits collection and usage of “Badang / Toughfa” (for the FFB infield collection to replace wheel Barrow)
- Good Agricultural practices → weekly monitoring and send the report to FGV Agronomist by Mr Chau including Pest And Disease
- Helmet and Box installed at the motorcycle (Supervisor, staff and assistant manager been provided for safety)
- Building the inter-terrace for the hilly area to ease the road FFB infield collection
- Systematic occupational health enhancement level program as per JKPP requirement

- Continue sly – to install another 25 Barn Owl Box
- 5S program completed until 45% which include Office arrangement, housing area and housing house repainting
- NMSO – Near miss Safety Observation which Started on last year and immediate reporting from Supervisor to SHO officer

3.2.2

Since the RSPO Metric Template still in progress, the company report the continuous improvement through RSPO external audit report, ACOP, and Palm GHG calculation.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

Mill and estate have had operational procedure that well-documented in each site, cover the key processes like harvesting, transportation, fertilizing, IPM, GAP, and FFB processing.

The mill also had supply chain procedure that described of about management functions and job descriptions, mass balance reporting of certified CPO/PK, supply chain verification including CPO/PK Delivery Mill to Customer and record keeping. Those documents also attached with FFB receiving procedure, FFB delivery note, e-trace procedure and attendance list of SCCS training.

Based on interview, the procedure has been disseminated to all employee. Especially for their own job/duty. The workers could demonstrate and explain the best practices in their respective job.

3.3.2

The company has had Procedure of Performance Measurement and Monitoring (*Pengukuran Prestasi dan Pemantauan*) No. FGVPM/L2/PP-09, set the regular mechanism of measurement of procedure implementation.

3.3.3

Records of monitoring and corrective actions has been observed, covers operational inspection (*Lawatan Agronomy*), RSPO Internal Audit, Management Review, Monthly Report, etc. Those monitoring activities also covering the activities conducted by third party/contractor if any. The For instance, RSPO Internal Audit of Mill was carried out on 29 August 2019, Management Review conducted on 5 September 2019. RSPO Internal Audit of Tembangau 5 Estate conducted on 23-24 October 2019. Annual Inspectorate Visit (*Lawatan Agronomy*), for instance in Tembangau 6 Estate has been conducted on 25 July 2019. Operational audit has been conducted monthly covers aspects of harvesting quality, manuring quality, circle and path quality, harvesting, and scoring.

Status: Comply

3.4

A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.

3.4.1

Sighted evidence of the Social Impact Assessment (SIA) report for Kilang Sawit Seriting Hilir where the process to identify the social impact and establishing a plan to mitigate the negative impact and increase the positive impact for continuous improvement was conducted. The assessment was conducted independently by the Certification & Due Diligence (CDD) Unit for the mill on 12th March 2018. As a result, Management Plan and Action Plan were created and presented to the internal and external stakeholders. Action plan is monitored to reduce negative impact or to explain / educate of the actual situation for mutual benefit.

Additionally, Monthly Internal Stakeholders meeting was conducted by JPPK (*Jawatankuasa Permuafakatan Produktiviti & Kualiti*) Seriting Hilir (Bil 07/2019 dated 28/8/2019) while the Annual External Stakeholder Meeting under the Group Sustainability Division was conducted on 20/06/2019. Among matters discussed were the Construction of Owl's nest, MSPO Audit Inspection, Signboards for MSPO certified units, Congestion and delays at the Mill's FFB accepting point,

Carrying out of the initiatives planned, Slippery road to the Mill, explanation of Procedure to the members.

Sighted the minutes meeting on EIA dated 9th May 2019 attended by the managers, assistant managers, regional Safety Health officer, store clerk, staff, RSPO Coordinator, Mandore and foreign workers representative.

Sighted evidence of the Social Impact Assessment (SIA) report for the Tembangau 05 estate where the process to identify the social impact and establishing a plan to mitigate the negative impact and increase the positive impact for continuous improvement was conducted. The assessment was conducted independently by the Certification & Due Diligence (CDD) Unit for the mill on 14 March 2018. As a result, Management Plan and Action Plan were created and presented to the internal and external stakeholders. Action plan is monitored to reduce negative impact or to explain/educate of the actual situation for mutual benefit.

Additionally, Monthly Internal Stakeholders meeting was conducted by JPPK (*Jawatankuasa Permuafakatan Produktiviti & Kualiti*) Seriting Hilir (Bil 07/2019 dated 28/8/2019) while the Annual External Stakeholder Meeting under the Group Sustainability Division was conducted on 20/06/2019. Among matters discussed were the Construction of Owl's nest, MSPO Audit Inspection, Signboards for MSPO certified units, procedure and etc.

SCCD – SIA been conducted on 15th March 2018 – Based on the SOP from FGV the next SIA Assessment will be conducted on year 2020. Sighted in SAI the profile workers, sample selection, internal stakeholder verification, external stakeholder verification, analysis of impact social, summary of social impact FGVM and the management plan for the social impact.

Sighted the aspect impact form the operational FGV Tembangau 3, 5 and 6 which stated :

- Premix in estate shifted to office area → action plan : to ensure the workers mixing the herbicide in the office → action : chemical handling training dated 18th June 2019
- Workers, staff, traders, and Felda Security had been briefed for RSPO → Short term action → estate manager / assistant manager giving the talk on MSPO RSPO dated 9th October 2019 → continuous monitoring (continuous awareness on RSPO in Roll call Area)
- Issues : no program related to sexual harassment information → short term → assistant manager → AJK Gender committee been briefed to discuss sexual harassment issue → updating record for Gender Committee and meeting

SIA been conducted in 14th March 2018 : sighted the SIA had been taken into consideration of all workers profile, sample selection → however based on interview and document verification, there is no review of SIA → for the absconded person (19 persons reported as per Photo Attached)

Sighted the SIA been conducted on 15th March 2018 – Based on FGV Procedure, the 2 years SIA will be conducted this year with affected parties. The action plan and review SIA been conducted yearly as per details :

Impact	Action Needed	Responsible person	Action by management	Continuous monitoring
Workers runaway from the estate (absconded)	Short term	Manager and Assistant Manager	Giving Talk to the foreign workers about negative impact if absconded from the plantations – 6 th February 2020	To review the root cause wht the foreign workers runaway from the estate and getting the report towards company the cause they absconded

Sighted the Review and Follow Up SIA been prepared by RSPO Assistant, review by assistant manager and approved by manager of FGV Tembangau 6.

Based on document verification, all activities covered in SEIA documents and being updated yearly if any new activities occurred and affecting the environment. Based on consultation with stakeholders, all positive and negative impacts has been identified and managed by the company. Even though need to improve there are some current issue need to be consideration in social management.

3.4.2 and 3.4.3

Based on The SIA developed on 12th March 2018, it was confirmed that the SIA had been conducted accordingly for 2018 in participatory ways which include the mill staff, Suppliers, contractors, canteen owner, FELSCO, Department of Safety and Health Malaysia, Department of Environmental Malaysia. As per the SIA and EIA on year 2018 for FGV Tembangau 3, 5 and 6, sighted the affected stakeholders had been communicated as per details :

- Staff and clerk
- Estate Mandore
- Local estate workers
- Foreign estate workers (Indonesia, Bangladeshi, India)
- Contractors
- Felsco (Security police)
- Traders and estate grocers

Total of 248 people sighted the percentage of sample is 12.9%. As per requirement of SIA and EIA according to FGV SOP, the requirement of SIA including Internal Stakeholder , management plan developed , and positive impact will be improve as needed if there is critical issues ongoing. Sighted the management review for The SIA and EIA that been recorded:

- Impact
- Category
- Action Plan Needed
- Responsible person
- Timeline – 6 Months (Immediate) for 1 year, Long Term (1 year and 6 months and Monitoring for 2 years)

e.g : No Sexual harassment issues and understand the procedure → Positive → to continue the meeting → Gender Chairman → Minutes meeting → Follow up → Continuous monitoring.

There is social management plan has developed and being implemented on those dates : 9th October 2019 , 18th September 2019, 28th November 2019. The environmental management plan which is the management review had been made as per year 2019 and updated , checked and reviewed on 20th January 2020. There is no significant impact related to the environmental and social issues as the activities on the estate remain the same.

Sighted the short term result and immediate action being taken by the management which include talk and continuous awareness by the management related to RSPO and sustainable palm oil, and the issues on gender had been raised up in the gender committee meeting.

However, based on the field observation and interview with the workers including management, few lapses found related to issues in the estate due to the SOP of company regarding SIA being conducted once in two years. The company need to consider to improve the Social Impact assessment being conducted regularly based on the arising issues in the estate. **OFl.**

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1

The FGV Holdings Bhd. has set a policy for staffing namely in the document of staffing policy 2020 approved on 4 Dec 2019 (FGV/GHC/POL/004) effective date 1 Jan 2020, scope including: recruitment of employees, fixed term contract, probation, and as well as other employment related procedure, such as: SOP of promotion (FGV/GHR/PO/021), and termination of employment policy (FGV/GHC/POL/029, 1 Jan 2020).

For foreign workers, the FGV holdings has a Guidelines and procedures for responsible recruitment of foreign workers with policy number FGV/FGVPM-JTK/POL/001 on June 27th, 2019. This guideline are contain foreign workers requisition, pre-employment, employment, and post-employment. Based on interview with the workers in Mill and Estates, they understood the contractual agreements in aspects of recruitment, termination, promotion, or contract extension.

3.5.2

The recruitment of foreign workers are conducted by HQ which is collaborated with hiring agency from Malaysia and/or from origin country. The recruitment agency has been bounded by agreement with FGV Holding, in the agreement stated that the process are referring to national regulation at origin country and Malaysian employee act.

Sighted the employee register in all units, updated on Jan 2020, total of workers in Seriting Hilir POM is 84 workers (local); Tembangau 3 with total 61 of local workers, Bangladeshi 80, Indonesian 76 and Indian 44. Tembangau 5 consist of Malaysian/local (69 workers) as permanent workers, and foreign workers (contract) such as: Indonesian (70 workers), Indian (57 workers) and Bangladeshi (111 workers). Tembangau 6 consist of local workers (permanent) and foreign workers from India, Bangladesh and Indonesia, total workers 192. The list informs: worker name, worker ID, IC number / passport number, year permit, birth date, citizenship, gender, vendor name, calling visa, join date, status.

The units have kept and maintain the personal records of each workers (local and migrant), such as record of recruitment, record of permit, mutation/promotion, agreement, and so on. For e.g.: local workers (permanent) in Seriting Hilir POM no. 1209969 and migrant workers in Tembangau 5 (worker no. LW03640072).

Status: Comply

3.6

An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.

3.6.1

OSH meeting between employer (OSH Committee) and employee representatives was conducted every three months (quarter basis). For example, last two OSH meeting were conducted in 20th August 2019 and 21st May 2019 for second and third quarter meeting, respectively. several issues being discussed are inspection evaluation and evaluation of OSH performance such as accident record, legal compliance, HIRARC review, PPE use, workers permit, ESH audit evaluation, compliance of safety by contractor, OSH visit, JKPP/JAS visit evaluation and etc.

Sighted the safety meeting been conducted quarterly on year 2019 which last meeting held on 16th September 2019 attended by the Safety Officer, *AJK wakil Pekerja* (7 workers) manager and assistant manager. Sighted the record of 4 workers accident happen in Tembangau 3 which involved the local and foreign workers. Details including name, report, date of incident, total loss, total medical leave and payments had been recorded by the safety officer and JKPP 6 and 8 form had been reported to Department of safety and Health. Sighted also based on the safety meeting been done quarterly, based on the feedback from AJK JKPP dated 20th December 2019, the repairing of the housing , drainage, doors , near miss campaign on October 2020, and the issues had been immediately resolved. Sighted also the CHRA dated 1st July 2016 been conducted by Occumed Consultancy Sdn Bhd in Compliance to regulation 9 under Occupational and Health for FGV tembangau 3. Additional CHRA been conducted on 3rd January 2020 due to updated chemicals for pesticide applicator and fertilizer applicator use in the chemical register . However ther are no changes in the health risk nor changes in the control measures needed . sighted the details of Pesticide applicator [indaziflam , Glusofinate Ammonium , Polyether – surfactant) and type of fertilizer used [NK Mixture and NPK MgO Mixture Fertilizer], exposure assessment and summary of control measures. Medical Surveillance had been conducted on 27th April 2019 by *Clinic Alam Medic* for FGV Tembangau 3 Kemayan Pahang, involving 46 workers which been examined during the examination , which cover the local and foreign workers . Sighted the minutes quarterly meeting conducted on year 2019 dated on 5th November 2019 , 16th May 2019 and 20th February 2019.

OSH Plan and Mitigation Measures report stated that 3 injuries reported on year 2019 and the time loss had been recorded in amount total day loss. Sighted the minutes for the last meeting on 5th November 2019 which recorded all the status of incident happen in 2019 (3 incident) and total day loss = 5 days. Based on the minutes meeting the recorded issues being discussed involving :

- Arising issues from the last meeting ,
- Occupational safety and health report
- Near miss report and dangerous situation happen.
- Incident report
- Safety and health training
- Working place inspection and SHO report improvement
- Machine operation report and program
- Safety bike program
- OSH System
- Hygienic report – Medical surveillance (health monitoring and action plan on CHRA)

3.6.2

As part of the clauses in the FGV(H) Policy No. FGV/SED/POL/001, Rev 3 – Group Sustainability Policy as approved by the Chairman, Board of Directors YBHG Datuk Wira Azhar Abdul Hamid on 29th May 2019; and by the Group Sustainability Division as the Policy Owner, FGV Group is committed to deliver value to all its stakeholders. Under Clause 5.1.5 – Health and Safety. Sub Clause 5.1.5.1 the Group is committed to providing a healthy and safe working environment in its operations for all its worker and employees. 5.1.5.2 FGV Group shall allocate appropriate resources in order to minimize and eliminate Health & Safety risks.

The OSH policy and implementation were communicated to the employees through socialization and during morning muster, safety town hall and training. OSH committee meeting was conducted every quarterly. OSH Committee organization chart for year 2019 – 2020 and appointment letter sighted for Arwan Asrol Mohamad (maintenance clerk) to be the member of the OSH committee (Bil (12/2019) FPI/L2/QOSHE dated 1/7/2019). The chairman is Abdul Malik Safian, secretary is Omar Atan, 11 employer's representatives and 8 employee's representatives in the OSH committee. Sighted the OSH meeting Committee dated 2nd December 2019 – occupational health and safety meeting attended by:

- Chairman
- Assistant manager
- Senior executive
- Chargeman executive assistant
- Laboratory analysis
- Operational laboratory
- Electric Chargeman
- Store clerk
- Biogas assistant
- Foreman
- Auxiliary police
- Senior operator

Sighted the Plan Effectiveness of safety and health plan in the estate had been recorded including the resolution. Details such as date, type of incident, risk control and responsible person had been identified. Based on the response from the incident, the safety officer will revised the HIRARC accordingly as per details below :

HIRARC reviewed on year 2019 based on the incident happen → dated 2nd October 2019 . E.g : Activity matured palm → usage of chisel and sickle → Hazard incident → palm oil dust causes eye irritation → risk control PKS (FGVPM /L3/ PK 15, 25) → Risk number 2 category (low risk) → control risk : PPE training by responsible person = assistant manager.

HIRARC revision by SHO → Hazard identification

Station	Working Activity	Hazard Identification	RISK	Revised Steps : control method advised
Estate	Loading FFB	Slip and fall under steel loader	Fall and Flinch	Training on FFB Loading and use the suitable PPE and Gloves

Status: Comply

3.7

All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.

3.7.1, 3.7.2

The unit of certification demonstrated training programs for all employees and contractors in the KS Seriting Hilir, Tembangau 3, Tembangau 5 and Tembangau 6 for the 2019 and 2020, the training program has covered all aspects required in the RSPO P&C, and there is an evaluation of understanding and refreshing training.

All trainings have been recorded in each unit. The trainings records are kept in file of social (E1), the trainings conducted in 2019 such as:

- Training of firefighting on 4 Oct 2019 (fire drill, emergency response, firefighting by BOMBA, and type of and how to

use fire extinguisher), followed by 41 mill workers

- Pesticide calibration exercise in Tembangau 3 on May 2, 2019, with 16 participants
- First aid training on 9 Oct 2019 as many as 21 participant in Tembangau 3
- Job safety analysis training in Tembangau 5 on 31 Oct 2019 to as many as 3 FFB uploader and FFB supplier (contractors)
- Fire drill training in Tembangau 6 on July 10, 2019 to 25 workers, in collaboration with the Malaysian Pahang Bomba and Rescue Office.
- Training to use sharp equipment in Tembangau 6 on May 16, 2019, as many as 12 participants

Based on interview with to workers include contractors, they understood the company's policy to ensure the OHS that given through trainings and strength supervision.

3.7.3

KKS Serting Hilir has hold a regular training for personnel who are involved in the RSPO SCCS, the training is conducted specific to their tasks. The latest training is done in 29 Aug 2019, covered: RSPO SCC standard, RSPO SCC manual mass balance, FFB manual for monitoring, FFB consignee, RSPO palm trace, RSPO SCC internal audit, RSPO green palm online trading and management review. The training was attended by 12 personnel including mill manager, mill assistant manager, WB clerk, processing assistant, lab staff, grading officer, and FELSCO (security).

Based on interview and observation to WB station and security it was known that they have understood and able to demonstrate related to RSPO SCC implementation.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1

The mill only applies MB (Module E).

3.8.2

The Mill are received and processed FFB from certified and non-certified sources namely from core plantation (certified) and outsider (smallholder, independent and agent). In this case, module E (MB) on RSPO SCC are applied.

3.8.3

Estimated certified product recorded in the certificate annex of last surveillance, actual certified produced has been verified during this assessment, as well as the estimates of certified production for the next license period has been set by the Mill, describes in the following table:

Product	Estimate Production of 12 month (MT)	Actual Production of 12 months (MT) previous audit	Estimate Production of 12 month (MT) further
	8 February 2019 – 7 February 2020	08 February 2019 – 31 January 2020	8 February 2020 – 7 February 2021
FFB	161,968	91,324.57	146,000
CSPO	30,774	16,056.96	28,700
CSPK	8,908	4,392.98	8,000

3.8.4

The Mill has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information that RSPO IT Platform member registration number: FGV KS Serting Hilir RSPO_PO1000006998.

The entire requirements for appropriate supply chain has been met by the mill such as the estimate certified product already recorded in the RSPO IT platform and including finalized transactions records and stocks transactions record during the 12 month before the assessment.

All transaction has been announced to RSPO IT Platform and confirmed shipped. The Mill has conducted SCCS mechanism such as announcement in Palm Trace of RSPO CSPO and CSPK sold as certified and confirming the shipping announcement.

3.8.5

The Mill has documented procedure regarding to supply chain through the document of Mill Procedure for RSPO Supply Chain Certification/Mass Balance (No. Document: FGVPM-RSPO SCCS, circulated at 1 September 2019). Those documents described about management functions and job descriptions, mass balance reporting of certified CPO/PK, supply chain verification including CPO/PK Delivery Mill to Customer and record keeping. Those documents also attached with FFB receiving procedure, FFB delivery note and e-trace procedure. Based on that document, there is also showed RSPO SCCS personal in charge who takes responsibility of supply chain implementation (Mill manager, assistant manager, WB clerk, mill head Adm, lab assistant, Accredited Quantity Supplier foreman). Mill manager has taken responsibility and authority as supply chain procedure and implementation.

3.8.6

SOP of internal audit are listed in document FGV/ML-IA/L2-Pr11, effective date 1 Jun 2016, internal audit is planned to be conducted once a year prior to external audit.

The latest audit of RSPO SCC are done on 29 August 2019, conducted by Abdul Rahman Bin Awang, the internal audit refers to the RSPO SCC system and standard revised 2017, there 20 NCR raised and the corrective action has been set and implemented by the mill.

Management review conducted on 5 September 2019. The Internal Audit result has been included in Management Review.

3.8.7

The Mill has had maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases. The record keeping saves in Mass Balance Report, shown in table below:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
08 – 28 February 2019	11,754.11	18,376.29	30,130.40
March 2019	810.22	16,280.06	17,090.28
April '2019	1,538.58	31,683.89	33,222.47
May 2019	1,546.14	31,187.79	32,733.93
June 2019	11,695.52	16,883.05	28,578.57
July 2019	13,492.33	18,824.64	32,316.97
August 2019	11,442.62	17,489.42	28,932.04
September '2019	11,825.04	16,622.61	28,447.65
October '2019	10,925.42	15,130.92	26,056.34
November '2019	6,799.05	10,920.64	17,719.69
December 2019	5,289.01	6,711.24	12,000.25
January '2020	4,206.53	5,414.70	9,621.23
Total	91,324.57	205,525.25	296,849.82

Based on data of estimate production and actual production, shown that there was no projected overproduction of certified tonnage.

Product	Estimate Production of 12 month (MT)	Actual Production of 12 months (MT) previous audit
	8 February 2019 – 7 February 2020	08 February 2019 – 31 January 2020

FFB	161,968	91,324.57
CSPO	30,774	16,056.96
CSPK	8,908	4,392.98

3.8.8

The CSPO and CSPK from the Mill were sold has meet the minimum information of certified products. Supporting document shown were contract agreement, delivery order, delivery ticket, which inform delivery date, description of product and supply chain model, quantity, identification number, certificate number, sender's name and address of the seller, unique identification number such as delivery number.

For instance CPO delivery on 27th December 2019, from Seriting Hilir POM (address: Peti Surat 3, Bandar Seri Jempol, Negeri Sembilan), certificate No. MUTU-RSPO/125, to buyer Palm Oleo Sdn Bhd (address : Solok Waja 3, 4170 Klang), model MB, amount of 38.13 MT, and other related documentation such as form of inspection.

3.8.9

The Mill did not hire any of third parties. Transportation of product from mill to bulking were conducted by Felda Transport which is contracted by FGV Logistic Dept (by holding), transportation of product from mill to buyer are performed by buyer itself.

3.8.10

The Mill did not hire any of third parties. Transportation of product from mill to bulking were conducted by Felda Transport which is contracted by FGV Logistic Dept (by holding), transportation of product from mill to buyer are performed by buyer itself.

3.8.11

The Mill did not hire any of third parties. Transportation of product from mill to bulking were conducted by Felda Transport which is contracted by FGV Logistic Dept (by holding), transportation of product from mill to buyer are performed by buyer itself.

3.8.12

In the SCC SOP on section record keeping stated that the mill shall maintain the SCC record for 2 years. The Mill has maintained all records of SCC in accurate, complete, and up-to-date, all the records are available in mill office and accessible to auditor, such as FFB suppliers, production record and sales records.

Sighted the mass balance for all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK, the record are done on monthly basis. All volumes of certified palm oil and palm kernel that are delivered are deducted from positive stock. Can be seen on table below:

Mass Balance record of CPO

Period	All CPO Production (MT)			CSPO Dispatch (MT)			
	CSPO	Non Cert CPO	Total	RSPO	Other Scheme (ISCC, MSPO)	As Non Cert	Total CSPO Dispatch
08 Feb 19 to Jan 20	16,056.96	35,640.46	51,697.42	5,763.57	4,984.44	-	10,748.01

Mass Balance Record of PK

Period	All PK Production (MT)			CSPK Dispatch (MT)			
	CSPK	Non Cert PK	Total	RSPO	Other Scheme (ISCC, MSPO)	As Non Cert	Total CSPK Dispatch
08 Feb 19 to Jan 20	4,392.98	10,259.75	14,652.73	1,376.57	-	-	1,376.57

There is no CSPO and CSPK sold as conventional. The balance of CSPK sighted bulked in the Mill.

3.8.13

The conversion rate of CPO (OER) and PK (KER) are based on daily, monthly, and yearly production. Then the Mill set the target of OER and KER, even though the actual may vary. Based on production data 12 months previous audit (February 2019 to January 2020) the average OER is 17.32 %, and KER is 5.66 %.

3.8.14

The target of OER and KER reviewed annually based on Management Review meeting.

3.8.15

The Mill only applying RSPO SCC Module E (MB).

3.8.16

Registration of transactions were held by Marketing Department. The sales and shipping announcement 12 months before audit has been observed. There were 12 announcement of CPO sales, and 7 announcement of PK sales. All the certified product sold in other scheme or conventional has been removed in the Palm Trace. The comparison of sales that have been announced as follows:

Sold of	Based on Mass Balance Record	Based on Announcement in Palm Trace
RSPO CSPO	5,763.57	4,235.02
RSPO CSPK	1,376.57	698.89

Based on the company's SCCS procedure, all the transactions will be announced prior to the end of the license.

3.8.17

The mill does not use trademark and RSPO trademark on its operation, sales document and business communication.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS
4.1

The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.

4.1.1, 4.1.2

As part of the clauses in the FGV (H) Policy No. FGV/SED/POL/001, Rev 3 – Group Sustainability Policy as approved by the Chairman, Board of Directors YBHG Datuk Wira Azhar Abdul Hamid on 29th May 2019; and by the Group Sustainability Division as the Policy Owner, FGV Group is committed to deliver value to all its stakeholders.

Under Clause 5.1.2 – Responsible Employment, Clause 5.1.3 Respect for Human Rights, 5.1.5 Health and Safety and 5.1.6 Gender Equality and Preventing Sexual Harassment & Violence.

An evidence in the KKS Serting Hilir, Tembangau 3, 5 and 6 has been observed, it was verified by interview to sample workers there is no found any of violation of human rights, the workers told that they are understood related to the company's policy. The company' policies are displayed in notice board process station for example in boiler and engine room, estates office and workers housing. .

Based on field observation and interview with stakeholder related such *Peneroka*, teacher and contractor, known that there were no any of instigate violence or use of harassment conducted by the Serting Hilir and it supply bases.

Status: Comply

4.2

There is a mutually agreed and documented system for dealing with complaints and grievances, which is

implemented and accepted by all affected parties.

4.2.1, 4.2.2, 4.2.3

Sighted evidence of system for dealing with complaints and grievances through document of *Pensijilan Kelestarian Aduan dan Rungutan* FGV/ML-1A/L2-Pr13 effective date 1/4/2019 containing procedures on Handling Grievance and Complaints. The Objective is to give opportunity to all workers, personnel, internal and external stakeholders to make complaint for any issue to the management. Also to provide official mechanism for action to all complaints.

Can be shown the FGV Whistleblowing policy approval date on May 25th, 2019 approved by Board of Directors, in the policy stated that disclosure of improper conduct can be lodged through several methods:

- Written (alert form on the FGV website), letter email to alert@feldaglobal.com.
- Telephone call (7 country of phone number)
- In person (a person who wish to whistle blow, may come in person to meet the secretariat).

Whistleblower may also meet any FGV board members to lodge disclosure of improper conduct. Whistleblower will be accorded with protection under the policy provided that the disclosure is made in good faith and comply with terms and conditions of this policy. This policy shall provide protection to whistleblower on:

- Confidential information and identity of whistleblower.
- Detrimental action as consequences of whistleblower.

Based on interview to workers in KKS Seriting Hilir and estates sampled namely Tembangau 5, 3 dan 6, it was told that they has been aware related to system of disputes settlement and whistle blowers, as well as the result of interview with stakeholder (FGD).

The unit managements has provide log-book, suggestion box, email and mobile number which can be contacted by the complainant in any time. A record entitled complaint, action and solution where issues shall have brought forward, initial negotiation process, and the pending issues are sighted during audit, there were registered the complaint from workers in all sampled unit such as:

- Related to housing maintenance in mill has been addressed and the action is documented well
- A grievance related to psych-social in Tembangau 3 (workers from Bangladesh), has been handled by sending to the hospital, if it is proven unfit by the doctor it will be sent home to the country of origin.

The company keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome.

4.2.4

In the document of *Pensijilan Kelestarian Aduan dan Rungutan* FGV/ML-1A/L2-Pr13 effective date 1/4/2019 containing procedures on Handling Grievance and Complaint and FGV Whistleblowing policy approval date on May 25th, 2019 approved by Board of Directors, has includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and /or act as observers, as well as the option of a third-party mediator.

	Status: Comply	
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4.3

The unit of certification contributes to local sustainable development as agreed by local communities.

Based on the latest financial status from FGV Headquarters for the mill and estate, the financial contribution had to be revised and approval from the HQ. However the mill and estate still can contribute using the current resources at each unit such as van, transportation, EFB from Mill and the details including:

- Request of EFB amounted 2800 tan by the Felda Scheme Smallholders, Seriting Hikir 09 smallholders (1000MT), Felda Lui Barat and supplying 30 MT Tonnes to Felda Seriting Hilir 08
- Contribution on repairing the multipurpose hall and labour workers contribution for the repiar
- Request on financial support- program for the fasting month for school dated on 10th May 2019

- Hamper on the AGM PIBG for SK LKTP T3 – RM 30 ringgit per hamper for 10 Units

An evidence of contribution made by the estate through consultation and official letter from the requester. Latest contribution is "Bantuan Persekolahan (Primary and Secondary) Tahun 2019 FGMSB – Ladang Tembangau 05" List of workers and their children receiving RM100 each for primary school and RM150 each for Secondary school. Also Hamper Contribution for Karnival KoKurikulum SMK Tembangau. There is also letter dated 8/7/2019 Taking part in "Program Penanaman Semula Pokok Spesis Hutan (5,000 Batang Anak Pokok) Daerah Bera di bawah kempen "Go Green With Saset" on 22 & 23 September 2018 at forest reserve RAMSAR Daerah Bera Pahang DM.

- Tent borrowing from SK Serting Hilir
- Hall and apparatus to the school
- *Sumbangan Yayasan Bank Rakyat*
- Using the estate road for sports event - Running
- Bantuan anak sekolah , SMK 150, Secondary school (Rm 100) for the staff working in FGV

Based on the interview and document verification, sighted the estate and mill had contributed to the local contribution especially request related from school and Felda scheme and they are willing to help the local people.

Status: Comply

4.4

Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.

4.4.1

The certification scope for Serting Hilir Mill is 8 supply bases (Tembangau 3, Tembangau 5, Tembangau 6, Tembangau 7, Tembangau 8, Tembangau 9, Serting Hilir 9 and FASSB Serting Hilir). The management unit have a clear legal lease from the state government in form of land use right (*Geran Hak Milik Sementara Tanah*) for total area of 14,363.99 Ha, while total area of this certification scope are **14,976.94 Ha**. The discrepancies area 612.95 Ha is owned by FELDA, where FGVP(M) has agreement with Felda to manage the land.

The land title are sighted for each estate as well as proof of land tax payment for period of 2019. For e.g. a grant for FELDA **271.13 Ha** (PT No. 8547) grant type HSD 4966 at Mukim Bera, Daerah Bera, Negeri Pahang. Sighted the grant rented until October 14th 2098 (99 years tenure) since October 15th 1999 that include the cukai tahunan RM 10,848.00

Sighted agreement between Felda and FASSB on 7 February 2017 regarding to grant tenancy. There are 13 area location, while the FASBB Serting Hilir was including to Serting Hilir 4 with area 172.00 Ha. Sighted the document of "*permohonan penyambungan tanah pajakan FELDA kepada FGV AGRI Services Sdn Bhd*" which informs that the agreement will be end in 31 Dec 2019, the proposal date is 23 December 2019, and the new agreement will be assessed on next ASA. **OFI**

Mill area is under agreement between Felda and FPISB on November 25th 1996 approximately **41.44 Ha** located in Serting Hilir 5. This agreement valid since January 1st 1994 until December 31st 2023.

4.4.2, 4.4.3, 4.4.4, 4.4.5, 4.4.6

The land used by FGV is a state land, not private land. There was sighted the temporary freehold in accordance with the State Land Office for the entire operational area. All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arises. Records are available to show that the land leases comply with legal requirements.

Consultation results with stakeholders (smallholder and contractor) is known that there was no dispute / conflict of land between management unit and communities. Field visit and document review also shows that there was no dispute / land conflict in operation area of Kilang Sawit Serting Hilir and supply base. FGVP (M) has had procedure for conflict solution which stated that the resolution involve the stakeholder.

Sighted evidence of the Social Impact Assessment (SIA) report for the Tembangau 05, 03 and 06 estate where the process to identify the social impact and establishing a plan to mitigate the negative impact and increase the positive impact for continuous improvement was conducted. The assessment was conducted independently by the Certification & Due Diligence (CDD) Unit for the mill on 14 March 2018.

Status: Comply

4.5

No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.

4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.6, 4.5.7, 4.5.8

There is no new planting since 2005, since the land are a state land which is leased to FGVP, then there is no FPIC process. All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arises. Records are available to show that the land leases comply with legal requirements.

Status: Comply

4.6

Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

4.6.1, 4.6.2, 4.6.3, 4.6.4

There is no compensation for loss of legal, customary or user rights, since the land are a state land which is leased to FGVP. All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arises. Records are available to show that the land leases comply with legal requirements.

Status: Comply

4.7

Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.

4.7.1, 4.7.2, 4.7.3

There is no new planting since 2005, since the land are a state land which is leased to FGVP, then there is no FPIC process. All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arises. Records are available to show that the land leases comply with legal requirements.

Status: Comply

4.8

The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.

4.8.1, 4.8.2, 4.8.3, 4.8.4

There is no new planting since 2005, since the land are a state land which is leased to FGVP, then there is no FPIC process. All land in certification scope are properly leased, surveyed and marked. No record of other user customer right have arises. Records are available to show that the land leases comply with legal requirements.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

5.1.1 5.1.2 and 5.1.3

The Mill did not received FFB directly from independent or scheme smallholder, but through third party FFB suppliers such as FELDA, FTP or other independent FFB supplier as local businesses. Sighted the FFB pricing for FFB suppliers had been updated in the system of FGV Palm Industries Sdn Bhd through the website <http://Fpidb.felda.net.my/fpi/binn/upld.exe> and the pricing on the system made based on the daily pricing from Malaysian Palm Oil Board. Sighted the sample during audit week dated 3rd February 2020 which stated the current unit of 1% tonnage of FFB for Malaysian in RM as followings :

- North A = 28.00 and B 27.30
- South A – 28.00 and B = 27.30
- Central = A = 28.00 and B = 27.30
- Easter A = 28.00 and B – 27.30
- Sabah A = 25.00 and B = 23.50
- Sarawak 23.70

5.1.4, 5.1.5, 5.1.6

Standard contract for FGV had been uses (SPK – *Surat Perintah Kerja*) which has the details of scope of work, confidentiality and agreement. On top of the the company had improvised the agreement and come out with SCOC to comply with current regulation and certification standard of RSPO.

Sighted the record of payment to the smallholders under Felda Program which categorized into several cooperation ;

- Cooperation of Peneroka Felda Tembangau 1
- JKRR Felda Seriting Hilir 4
- JKRR Felda Seetling Hilir 07
- JKRR Felda Kerteh 02
- JKRR Felda Kerteh 04

Total record of payment been made as per listed which amounted of RM 334,310.08

The payment from the mill had been requested to HQ – referral number 98247 , SAP Code 6027400 – dated 30th November 2019 for JKRR Seriting Hilir 4. The agreed payment made in timely manner and proof of receipt including record of getting the cheques and submission to the contractors is available.

5.1.7 & 5.1.8

Weighbridge been calibrated dated 21st January 2020 as per weighing scale act 1972 for FGVPISB Seriting Hilir Mill for the 2 weighbridge , entrance and out weighbridge as per details [Number – B 334 708860 = amount of calibration 2176.00 following B 5467 05256 form D dated 10th June 2019 which cost of RM 2176.00

Sighted there is no Scheme Smallholders (ICS) In the Estate

5.1.9

Sighted evidence of system for dealing with complaints and grievances through document of *Pensijilan Kelestarian Aduan dan Rungutan* FGV/ML-1A/L2-Pr13 effective date 1/4/2019 containing procedures on Handling Grievance and Complaints. The Objective is to give opportunity to all workers, personnel, internal and external stakeholders to make complaint for any issue to the management. Also to provide official mechanism for action to all complaints.

Procedures for Internal Complaint at First level (Project Management) must do their best to resolve issues with 14 working days of complaint or within a period agreed and informed upon to the complainant. If the issue is not resolve it will be escalated to the Second level (Territory Management) similar period to resolve the issue, then it will be escalated to the Third Level (UPPL) HQ. Then it will be escalated to Fourth Level (JPPM) at ministerial level or Sustainability Certification Panel (MSPO). As for External complaints. Procedures for the First and Second level shall be used.

Status: Comply

5.2

The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

There is no independent or scheme smallholder directly supplied the FFB to the Mill, but through third party FFB suppliers such as FELDA, FTP or other independent FFB supplier. The FFB sources are controlled by MPOB License for the crops that been send to the mill. However, the company has an opportunity for improvement (OFI) to consider the use of the terminology of smallholder of FELDA in some documentation, since actually the FELDA status is third party FFB supplier, not smallholder of Mill (FGVPM). (OFI).

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

A non-discrimination and equal opportunity policy stated in document of Group Sustainability Policy with number FGV/SED/POL/001 revision 3 date on May 29, 2019, under section of responsible employment stated that all employees and workers shall receive equal treatment based on their relevant merits and competency regardless of gender, race, nationality, religion, age, physical condition and marital status, reproductive rights of women, union membership/affiliation/employment status or political affiliation.

The policy has been disseminated to all workers during roll-call and by displaying in the notice board in all stations, housing and buildings.

6.1.2

No found any of discrimination conducted by the company against workers, both against local communities, women, and migrant workers. Based on interviews with foreign workers from Indonesia, Bangladesh and India, it was stated that recruitment from the country of origin was carried out by agents working with the FGV without any fees.

Sighted the agreement between FGVPM Sdn Bhd with agency, for e.g. agreement with PT Cahaya Lombok on 5 July 2019, no. BIL. (35) FGV / LoA / 19 and with Employment Agency Mithiran Sdn Bhd on 5 July 2019, no. Bil (43) FGV / LoA / 19. Section 8.6 in the agreement has stated that the agreement shall comply with the Group Sustainability Policy (GSP 3.0), the supplier's code of conduct and guidelines and procedures for the responsible recruitment of foreign workers. In appendix II it is stated that the company and supplier shall ensure the sustainability requirements such as RSPO, MSPO, and ISCC have been complied during the recruitment process. Related to the issue/complaint of workers under FGV H, the auditor has verified the contract between FGVH and agency (as stated above), under appendix IV stated that the FGVH Bhd required the agencies not to charge the fees to workers throughout the recruitment process. Verification to the RSPO website regarding to the FGVH complaint 'response has been done by the auditor, it was known that the response from FGV Holding has been submitted to RSPO. There is no new recruitment of migrant worker from Bangladesh in the 2019 - 2020.

6.1.3, 6.1.4

In the FGV Holdings Bhd Human Capital Policy 2020 approved on 4 Dec 2019 effective date 1 Jan 2020, has been stated that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities. The pregnancy testing are conducted to women workers who are involved in chemical activity, the pregnancy testing are conducted only to prohibit the workers from chemical exposures nor as a discriminatory measure. If found any of women workers who are pregnant will be moved to non-chemical activity such as *Taska / Tadika / crèche* officer. The payment and work condition/facilities are equal to previous or other workers. Based on interview with female workers in Estates, obtained information that there is no gender discrimination related the employment. The pregnancy test aimed to protect the reproductive right.

6.1.5

The unit management has set and formed a gender committee in each unit, sighted the committee chart in each unit. Regular meetings have been held, the last meeting was held on 30 January 2020 together with FGVPM Seriting downstream 9, 8, Tembangau 5, 3, 7, 8 6, 9, Palong 17, 18 and 21. The meeting discussed related to:

- Free space for breastfeeding babies under 24 months
- Facilities for storing baby milk
- Special room for pumping
- Heavy and potential chemical work

Attendance was attached with 56 participants, including posttest to see the understanding of all members of the gender committee.

6.1.6

The payment are conducted equal, the workers' wages are referring the *Akta Majlis Perundangan Gaji Negara 2011 Akta 732 (perintah gaji minimum 2018)* as minimum wage and applied to all work-scope.

Status: Comply

6.2

Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1, 6.2.2

Rate of wages for local and contract / foreign workers under FGVP (M) Sdn Bhd shall use the latest payment scheme under "*Buku Panduan Kadar Upah Kerja Ladang*", referring the *Akta Majlis Perundangan Gaji Negara 2011 Akta 732 (perintah gaji minimum 2018)*.

Sighted a CLA between Felda Palm Industries Sdn Bhd with the Unity of Felda Palm Industries Sdn Bhd Peninsula employees 1 Jan 2016 to 31 Dec 2018, describing others: AM, term of service (working hours, working hours, overtime, and leave), payroll, allowance, rules of conduct, company transportation. Currently the CLA for the period 2019-2020 is in the process of ratification in the State Court, can be shown a letter of acknowledgment of the joint agreement between FGV PI SDN Bhd and the unit of FGV PI Peninsula employees on 10 January 2020 no. (04) / FGVH / HRBP01 / 08 / E16 / 2019 from FGV to the Malaysian Company Court (CA unit).

Direct employment agreements with local and migrant workers are available at during audit, namely the document "*Syarat-syarat Perkhidmatan Pekerja Ladang Tempatan FGVP (M) Sdn Bhd*" No. 974143-H for local workers, for example agreement on behalf of initials HMA (Tembangau 3). Direct employment agreements with foreign workers describing conditions of work, written in the language of each country. In the Serting Hilir Complex there are foreign workers from Indonesia, Bangladesh and India. The auditor has verify sampled contract for Indonesian, Bangladeshi and Indian that has been signed which informs hours of work, overtime, public holiday, work on a paid holiday, annual leave, maternity leave, compassionate leave, sick leave, hospitalization, occupational safety and health, accommodation, absenteeism and dismissal. The contract is made in Malaysian, Indonesian, Indian, Bangladeshi version and based on the interview workers are understand the contract and aware of the contract conditions.

For example:

- Tembangau 3: initials MFM (Bangladeshi), join date 20 May 2018
- Tembangau 5: initials AS (Indian), join date 28 June 2018
- Tembangau 6: initials AF (Indonesian) join date 22 March 2019

Based on review of payment documents and interview, known that local workers, immigrant workers, and contractor workers has paid not less than minimum wages.

6.2.3

The POM and it supply bases has comply to legal requirements related to working hours, deduction, overtime, sickness, leave and others.

Sighted Pay slip for December 2019 in POM and all sampled estates showing income and deduction. Income include Basic Pay, Project Incentive Pay, Housing Allowance, Other Allowance, Employer SOCSO, Local travelling claim. Deduction for EPF, SOCSO, EIS EE Contribution, *Tabung Haji*, Felcop Fee, Persatuan FPISB, *Amal Jariah*, *Takaful* Insurance, Life Insurance, *Felkop loan*, *Badan Kebajikan Petugas FPI*, Electricity, *Aidilfitri* deduction.

The auditor has verify the payslip for local (permanent) and migrant (contract) workers in estates for example pay slip on December 2019, and observed that the payment has been done in accordance with wages act. Sampled payslip on behalf of workers with initials HZ (workers No. 1209969), initials A (harvester-Tembangau 3), initials AH (general worker – Tembangau 5), initials AF (General worker – Tembangau 6). Deduction for migrant workers is only for clean water supply and electricity (after subsidized by the company).

Based on interview with workers (local and migrant) was told that the salary has paid in accordance with the regulation and agreement. There were no grievance and complaint were submitted to auditor during interview, also stated that they

are working for 8 hours per day, if there is overtime will be paid based on calculation of basic salary (according to regulation).

6.2.4, 6.2.5

Based on field visit and interview with workers known that the adequate housing, clean water supplies, medical, mosque, electricity and access to adequate, sufficient and affordable food has been provided. There is no complain and grievance related to housing standard. KS Seriting Hilir have complied with the Minimum with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446).

Warung runcit (store) which is provide basic need are available in each unit in mill and estates which is provide adequate, sufficient and affordable food. However, based on field observation sighted a few housing that still not standard, the company still in progress of standardization. The company has opportunity for improvement to monitor the implementation the repairing housing according to the company housing standard. **OFI**

6.2.6, 6.2.7

Currently, FGV still refer to National Wage Act 2018 for workers salary. FGV has prepared a decent living wages time plan, prepared by Sustainability Compliance & Certification Department (SCCD) on 13 Dec 2019. A working group has been formed to discuss and formulating the calculation of DLW. As for the beginning, FGV will adopt basic calculation using DLW Guideline by RSPO (June 2019) as well as RSPO Guidance on Calculating Prevailing Wages (RSPO-GUI-T08-005 V1 ENG) 11 NOV. 19. Adjustment to be made as per requirements from time to time or if any standar issued by RSPO.

The plan:

1st working group on DLW in Dec 2019 → calculation, integration & application DLW Jan-March 2020 → reviewed by the management March 2020 → reviewed by enforcer April 2020 → implementation of DLW in 2nd quarter 2020.

There is no casual, temporary and day labor found in Seriting Hilir complex, type of employment was permanent workers (local citizen) and contract workers (foreign).

Status: Comply

6.3

The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.3.1

As part of the clauses in the FGV (H) Policy No. FGV/SED/POL/001, Rev 3 – Group Sustainability Policy as approved by the Chairman, Board of Directors YBHG on 29th May 2019. Under Clause 5.1.2 – Responsible Employment, Clause 5.1.3 Respect for Human Rights, 5.1.4 FGV commitment to respect employee's and workers' right to freedom of movement, fair working hours, freedom of association and right to decent living condition.) 5.1.5 Health and Safety and 5.1.6 Gender Equality and Preventing Sexual Harassment & Violence. The policy has been communicated to all workers by displayed in notice board in office and housing, and disseminated during roll-call.

6.3.2, 6.3.3

Minute of meeting with workers representative sighted in all units, the 10th grand meeting has conducted in 28 Oct 2018 by *Kesatuan Pekerja* FGVPM Sdn Bhd. Meeting with representative of migrant workers are conducted once in 3 months, for example in Tembangau 3 was held on 9 May 2019 and Tembangau 6 on 20 Sept 2019.

The appointment of boards of *Kesatuan Pekerja* FGVPM are conducted by voting, as well as assignment of migrant workers representative in all estates. There is no interfere of unit management.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

FGV is committed to ensure that its operation is free from any form of exploitation and to eliminate any form of forced labour, and bonded labour, human trafficking and slavery, and child labour in all its operations). It was stated in the FGV (H) Policy No. FGV/SED/POL/001, Rev 3 – Group Sustainability Policy as approved by the Chairman, Board of Directors YBHG Datuk Wira Azhar Abdul Hamid on 29th May 2019 under clause 5.1.3.

Sighted the agreement between FGVP Sdn Bhd with agency/supplier, for e.g. agreement with PT Cahaya Lombok on 5 July 2019, no. BIL. (35) FGV/LoA/19 and with employment agency of Mithiran Sdn Bhd on 5 July 2019, no. (43) FGV/LoA/19. Section 8.6 in the agreement has stated that the agreement shall comply with Group Sustainability Policy 9GSP 3.0), supplier code of conduct and guidelines and procedures for the responsible recruitment of foreign workers. In appendix II stated that the company and supplier shall ensure the sustainability requirement such as RSPO, MSPO, and ISCC has been complied during the recruitment process.

6.4.2, 6.4.3, 6.4.4

The unit management do not employ young person within it operation, it was verified during field visit to processing station and field activities in estates. Based on verification on document of employee master-list in KKS Seriting Hilir, Tembangau 3, 5 and 6 and as well as during field observation to sampled units known that there is no found any of child labor. The communication of all company' policy including minimum age requirement and the negative effects of child labour to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live has been done by displaying the policies in the notice board such as office, housing, store and processing station, it has been sighted during field visit. Communication to agent/supplier are by mentioning in contract agreement and during stakeholder meeting. Based on interview with contractor, told that they have understood regarding to the company policies.

Status: Comply

6.5

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

6.5.1, 6.5.2

There is a policy to prevent the sexual harassment and violence stated in the policy of *Gangguan Seksual, Keganasan serta Hak Kebebasan Reproduksi* stated that FGV committed to give an attention to sexual harassment occur at the workplace. 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. The company has a manual on implementation of the gender policy that provides guidelines to the specific components.

The company has had the policy on on sexual harassment and violence as well as the policy for reproductive rights, those documents was signed by the President & CEO FGV on 1 June 2014.

A gender committee has established in each unit as an organization to manage the complaints of women workers in the event of sexual harassment and violations of reproductive rights. During 2019 there is no case related to sexual harassment and reproductive issues.

6.5.3

Based on interview with women workers and board of committee gender in Tembangau 3, 5 and 6, they told that the women workers who are pregnant and breastfeeding are prohibited to involve in activity which exposed by chemicals and heavy work. The new mother are giving 2 months leave for breast feeding and will temporary placed as *Taska / Tadika /* crèche officer. Permission to breastfeed during working hours is given to them.

6.5.4

Sighted evidence of system for dealing with complaints and grievances through document of *Pensijilan Kelestarian Aduan dan Rungutan* FGV/ML-1A/L2-Pr13 effective date 1/4/2019 containing procedures on Handling Grievance and Complaints. The Objective is to give opportunity to all workers, personnel, internal and external stakeholders to make complaint for any issue to the management. Also to provide official mechanism for action to all complaints.

Procedures for Internal Complaint at First level (Project Management) must do their best to resolve issues with 14 working days of complaint or within a period agreed and informed upon to the complainant.

	Status: Comply	
6.6 No forms of forced or trafficked labour are used.		
6.6.1, 6.6.2 <p>There were no indications of forced labor in the Serting Hilir Complex, all workers are accepted based on recruitment and employment agreements. Foreign workers are held in collaboration with agents / suppliers from each country. Every foreign worker has a work visa, permit, passport and direct agreement with the company. All of them can be accessed by the auditor during the audit activity, in the employee's personal file.</p> <p>Work passports and visas are kept in a box and the key is with the worker, this has been confirmed by the auditor through interviews with employees in field. At the time of recruitment it was explained by the agency and company representatives that the work location and type of work were in oil palm plantations.</p> <p>There are no over time in the field, over time in mill is done based on a warrant and has been approved by the employee.</p> <p>Foreign workers are contractual for 3 years and can be continued every year. There is no debt bondage or withholding of wages. Passports and work permits have been verified by the auditor by sampling at the time of the audit, for example:</p> <p>Tembangau 3: initials R (Indonesian), written agreement in Indonesian, passport valid until 25 May 2023, permit (temporary employment) until 1 July 2020 with FGV Plantation (M) Sdn Bhd, Ref No. KDN / 16031 / DCALQ01396. There is an acknowledgment of receipt of copy agreement dated 21 August 2015.</p> <p>Tembangau 5: initials AS (Indian), employee number FW03640781, passport valid until 24 Aug 2020, permit as plantation worker in FGVM ref No. KDN / 16031 / GMAXL5728230 valid until 23 March 2020. A written agreement in the Indian language was signed on 10 October 2019 (contract change on 24 March 2018)</p> <p>Tembangau 6: initilas RI (Bangladeshi), FW03650795, passport valid until 24 January 2022, visa until 27 November 2020 employed as plantation worker with FGV PM Sdn Bhd ref. KDN / 16031 / FLALQ400319. Sighted the agreement / contract which is written in Bangladesh as well as minute of it socialization / induction and official hand over letter of agreement, signed on 30 November 2011.</p> <p>Procedure for Entering Foreign Workers into the Field, No. ML-1A / L5-AP10 (0), dated June 1, 2016: Calling Visa submitted to the supplier to be made endorsement "at the Malaysian embassy / consulate in the source country, Foreign Worker will sign a Work Contract Agreement with FGVM in the source country, given an Induction Course in the Source Country, the Office of Labor announces the admission and arrival of workers, Workers will be sent to the One Stop Center (OSC) for the FOMEMA health induction and examination course for 3 days, JTK will provide and submit the form of List arrival List to the fields.</p> <p>There was evidence of the Policy of Foreign Worker Requirements (approved by the FGV President & CEO, dated June 1, 2014).</p>		
	Status: Comply	
6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.		
6.7.1 and 6.7.2 <p>Sighted the letter appointment for the Person in charge FGV that concern about health and safety as per organization chart on year 2019 -2020 [Safety health and Officer Mr Izzul Aslam Zon 2 (wilayah 4 Serting Hilir)]</p> <p>For the appointment in the mill as per approval by the mill manager, Mr Omar Bin Atan (Secretary) that will in charged on Health And Safety at the Mill. Meeting on safety meeting had been conducted on last 21/12/2019 and the plan meeting will be on 10th February 2020.</p> <p>Sighted the safety office for Wilayah Serting (Mr Wan Kamal) and being assisted by the appointed assistant manager of each estate for year 2019 and displayed on the organization chart. Meeting had been conducted on 4 times a year basis and been approved by JKPP chairman. Based on the meeting above sighted the concern on safety and it has been</p>		

discussed covering aspect of :

- Near miss incident
- Action plan CHRA
- OSH System
- PPE Monitoring Program usage
- Monitoring program on machineries item

Sighted the meeting been conducted 4 times a year for each estate. The meeting been conducted quarterly basis together with meeting on welfare of foreign workers .Meeting being chaired by Mr Nazeri Bin Ibrahim (assiatant manager) as a chairman and being attended by Safety health office *r wilayah Serting* . meeting conducted covering 15 elements of safety including the operational in estate, PPE Usage, Checking of Emergency Response item and accident report based on JKPP 8

Sighed the PPE issuance by the management which include details on each workers that took the PPE such as safety helmet, ear plug, gloves, safety shoes and leather gloves being issued on 15th December 2019.

Based on the PPE Issuance record sighted the details of workers name , item delivered , quantity of item return, date return of all item, date receive the new item and signature .

Sighted the first aid training and been conducted on 10th November 2019 attended by mandore, workers, driver and local workers which involve 23 people India , 65 Indonesia , and 74 Bangladeshis. Sighted the first aider attended the basic occupational dated 12th September 2019 including 7 personnel.

Based on the field observation, the First aid kit been prepared at the each housing area, and during the field operation it being kept by the mandore and the safety officer will monitor the item in the box. Emergency response procedure available at the estate item been placed at the estate. "preparation for the emergency" document number FGV/ FGVPM/II/MS/15/013 which include the details on :

- Procedure action plan during emergency ,
- Burning in diesel tank storage
- Fire drill training
- Emergency response during flooded ,
- Emergency during pesticide spillage



6.7.3 and 6.7.4 and 6.7.5

Both document was available onsite. The worker has also able to explain and demonstrate steps of precaution on incidence. Furthermore, based on observation and interview with pesticide Applicators, it could be concluded that the worker was able to explain and demonstrate a safe working practices such as use PPE during application, considering wind direction during spraying, pesticide mixing and storage, etc.

Sampled estate has appointed as responsible person for worker's safety and health. Thru interview, they well verse with the legal requirement. Safety and health committee meeting conducted on quarter yearly basis. Active two-way communication observed from worker and employee representative.

Sampled estates also had Emergency Preparedness & Response team. ERP is available in the SOP (No. Doc FGVPM/L2/PP-08) that prepared by SHO *Jabatan* HSE-FGVPM, evaluated by SHO Zone *Jabatan* HSE-FGVPM Approved by *Ketua Jabatan* HSE-FGVPM.

Continue for medical health surveillance programmed on yearly basis for work unit operators, who have risk of exposure to Schedule II chemical such as Pesticides/Herbicides. Summary of medical surveillance workers with abnormal physical examination (e.g. Lipid profiles, uric acid) not related to occupational disease have been recommended to follow up with the company panel doctor. No worker has been found to be having occupational illness. It was observed in the estates the facilities available which include sanitation for changing room, eye washer facilities, bathroom for pesticide application, and store for PPE exchange and Stock.

Sighted the payment of Government related to Insurance on Month November 2019 which include total amount of 8947.00 by HQ and being paid for all staff in the mill. As for the staff in mill, they area being protected by the PM Care insurance which covering of Rm 40,000.00 for the warded cases and 5,000.00 for the external outpatient. Sighted the payment dated 3rd February 2020 – [FPI 405710] for medical coverage for mill supervisor at Clinic AN Nur Bandar Baru Seriting , Clinic Tong Bahau, and the panel hospital is Columbia Hospital. Medical surveillance had been conducted on year 2019 refer to the form USECHH 4 [conducted by Pantai Premier Pathology Sdn Bhd dated 1st November 2019] for FGVPM Tembangau 5 which state the examination results :

- No workers examined – 49
- Workers with normal result – 35
- No of workers with abnormal result – NIL
- No. of workers with abnormal results – 14 (cholesterol, food)
- No. of workers recommended for removal – NIL

Sighted The LTA Been recorded and displayed on the mill which recorded the day without incident = 472 days and DOE record of visiting is available on year 2019.



Status: Comply

PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

7.1

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

7.1.1

The company has shown evidences that pests, diseases, weeds and invasive introduced species are effectively managed

using appropriate Integrated Pest Management (IPM) method. The plan of integrated pest management was arranged in company's IPM Procedures *Pengurusan Makhluk Perosak Bersepadu* (No.Document ML-1A/L2-Pr3 (0) 1 June 2006), such as procedure of detection and early warning system, procedure of integrated pest management, procedure of weed management, as well as procedure of pesticide handling.

The procedures set the early warning system by monthly detection of potential pest and diseases (leaf eater caterpillar, rats, oryctes, ganoderma), emphasizing the mechanical and biological control such as by planting of beneficial plants (*Turnera subulata* and *Antigonon leptosus*), as well as installing and monitoring barn owl boxes to suppress rat infestation. The procedure also set the economical threshold for each pest and disease, that the chemical control will be conducted only if the infestation has been exceed the economical threshold. For instance, economic threshold for rats is 5%, Oryctes rhinoceros is 5 %.

The company has shown documentation of regular potential pest and disease detection that conducted by trained worker. Based on census summary of January – December 2019, known that there were several pest infestations exceed the economic threshold, such as rats infestation in Tembangau 3 Estate month of December 2018, threatened by Chlorophacione.

Field observations in each Estate also verified that visually neither symptoms of leaf eater caterpillar infestation on the canopy, nor the rats infestation on the FFB collected in the FFB platform. Beneficial plants such as *Turnera subulata* and *Antigonon leptosus* have been planted in main and collection road. The barn owl boxes were in good condition and well monitored, as well as indicates the occupation of barn owl.

7.1.2

Based on document review and field observation, the company implement some biological control practices to suppress pest and diseases infestation such as white buttercup flower (*Turnera subulata*) and barn owl (*Tyto alba*). Verification result on website of cabi.org known that those species stated as not invasive in Malaysia.

7.1.3

Based on document review, field observation, as well as interview with the workers and external stakeholders, known that the company did not use fire for pest control.

Status: Comply

7.2

Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.

7.2.1

The company shown evidences that the pesticides used justified selective product, that have specific to the target (narrow spectrum), and has minimum negative impact on non target species, as well as legally registered in Department of Occupational Safety and Health, Ministry of Human Resources Malaysia. Set in the Guidelines for the Preparation of a Chemical Register document.

There was identification and assessment of the pesticides for each Estate, stated in document of Chemical Health Risk Assessment (CHRA) in accordance to Malaysian regulation, for instance in Tembangau 3 the last CHRA conducted on 3rd January 2020, and in Tembangau 6 conducted on 10th June 2016. The CHRA will be updated if there was any use of new pesticides. The assessment conducted by third party Occumed Consultancy & Services Sdn. Bhd.

The pesticides used were Kennly 20WG™ (a.i Methylmetsulfuron), Ecomax™ (a.i Isopropilamina gyphosate), Genee 15™ (a.i Glufosinate ammonium), Garlon Mix™ (a.i Triclopyr Butotyl), Ken-Glyphosate™ (a.i Isopropilamina gyphosate). The information of pesticide used covers the pesticides trademark, active ingredients, type (sistemic/contact), LD50, target species, and WHO class.

7.2.2

The routine pesticides application were for weed control in circle and path every four months if necessary, that were Kennly 20WG™ (a.i Methylmetsulfuron), Ecomax™ (a.i Isopropilamina glyphosate), Genee 15™ (a.i Glufosinate

ammonium), Garlon Mix™ (a.i Triclopyr Butotyl), Ken-Glyphosate™ (a.i Isopropilamina glyphosate). The usage documentation was in documents of pesticide toxicity (*Review Rekod Bahan Kimia*) for each Estate, that record products name, active ingredients, WHO class, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per ha application. For instance in period of 2019, Metaprima 20 WG™ toxicity amount of 0,005 kg/ha in Tembangau 6 Estate.

7.2.3

In line with the explanation of Criteria 7.1 that IPM has been carried out quite effectively, even though there were rats infestation in several locations. The pesticides usage only conducted if pest and disease increased exceed the economic threshold. If the conditions of circle and harvesting path are still quite standard, the weed control will be postponed. Based on observation of spraying activities, the application method was not a preventive application, but rather selective for weedy locations that considered exceed the economic threshold. Verified in the field the planting of beneficial plant and barn owl boxes.

7.2.4

The certificate holder does not use pesticides prophylactically. If the conditions of circle and harvesting path are still quite standard, the weed control will be postponed. Based on observation of spraying activities, the application method is not a preventive application, but rather selective for locations that have weeds.

7.2.5

Based on field observation in chemical storage and spraying activity, as well as interview to the workers, known that the pesticides categorized in WHO 1A and 1B class, listed in Stockholm and Rotterdam Conventions, and paraquat are not used. Based on list of pesticides used, it was known that the pesticides used were categorized in WHO Class IV and III.

The Company's policy of prohibition of Paraquat has been set on 1st June 2014 by FELDA and FGV document No.97/143-H which informed the reducing and stopped the application based on consideration of: The *Paraquat* only uses for the young palm (0-3 year) and prohibited for the old palm, the alternative of the replacing the paraquat pesticides have to implement.

7.2.6

The annual internal training related general best practice of pesticide handling and spraying technique has been given to the workers. Based on field observation and interview with the spraying workers, known that the pesticides application has been conducted by methods that has minimum risk and negative impacts to workers or environmental. The workers can demonstrate safe working practices in accordance with the existing procedures, such as spraying in the direction of the wind, or prohibition of spraying on riparian, and understanding emergency response in the event of an accident.

Based on document review, field observation, as well as stakeholder consultation, also known that the company never been applied pesticides aerially. Knapsack sprayers or Controlled Droplet Application (CDA) were in good condition, personal protective equipment has been used according to MSDS and HIRAC such as boots, apron, rubber gloves, mask, safety goggles.

Pesticide solutions were mixed in pesticide warehouses and transported by special vehicles. Work equipment and PPE were stored in special warehouses, including for mixing pesticides, and washing after work. The rinse solutions were stored in a special place and used again as a mixing agent in the next day's activities. Pesticide solutions were brought to the field by special vehicles. The spraying activity conducted in selective manner by knapsack sprayer or CDA, that the nozzles regularly calibrated. After work, knapsack sprayer/CDA and PPE were stored in a special storehouse at the Estate.

7.2.7

According to field observations to chemical storage, each of management unit has implement of SOP according to national regulations; such as: there are symbol and label on each chemical types. The pesticides was kept in special storage and the mixing place is provide with water trap. The MSDS for all pesticides is available and in Malay language.

7.2.8

Based on the FGV Manual Procedure FGV/ML-1A/L2- Pr 4, clause 6.4.1 "used poisonous containers can be recycled after rinsing 3 times and punched holes under it". Based on field observation, conducted triple rinse including the chemical washing and PPE. Sighted the record of pesticides containers handling in the form of matrix table. The rinsed containers stored in scheduled waste storage, and then handed over to the recycling contractor.

7.2.9

Based on document review, field observation, as well as stakeholder consultation, also known that the company never been applied pesticides aerially.

7.2.10

Medical surveillance has been made based on Occupational Safety and Health Act 1994 (ACT 514) Use and Standard of Exposure of Chemicals Hazardous to Health Regulation 2000, that is conducted annually. Types of test performed physical examination, LFT, RFT, UFEME, & Lung Function Test and biological monitoring (Cholinesterase). For instance in Tembangau 3, the latest medical surveillance conducted on 27th April 2019 for 46 spraying workers, by Clinic of Alam Medic, Kuala Selangor. Based on the test result, there was no occupational related disease. On Tembangau 6, the latest medical surveillance conducted on 8th November 2019 for 40 spraying workers, by Clinic of Syed Badaruddin Sdn. Bhd., Pahang Darul Makmur. Based on the test result, there was no occupational related disease. Interview result with spraying workers, obtained information that there is no complaint related to occupational disease.

7.2.11

In Tembangau 3 Estate, based on the list of spraying worker and field observation, there was only one female pesticide worker and there was no worker under 18 years old. Based on field observation and interview, known that there was no worker age under 18 years old that worked in chemical activity. The pregnant and breastfeeding women prohibited to work in chemical. The monitoring conducted through monthly pregnancy test. If founded expectant mother, she will be transferred to light non chemical activity. Also known that there were workers in chemical that had certain disease condition such as asthma.

Based on the medical surveillance result (7.2.10), there was no occupational related disease. The company has given the letter to female spraying worker, state the company's commitment to transfer the pregnant female pesticide worker the non-chemical activity.

Status: Comply

7.3

Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.

7.3.1, 7.3.2 and 7.3.3.

FGVPM Tembangau 3, 5 and 6 and FGVPISB KS Seriting Hilir had developed the waste management plan as followings :

- Mill Operation → type of waste : POME and Shell → record the disposal and sell the waste → provide the training on training management of domestic waste and other waste to all the staff and workers
- Tyre → collected for the cleaning program
- Empty paint container → dispose on the registered collector
- Spent engine oil → dispose on the registered collector
- Electronic item → collected and dispose as schedule waste

Sighted the management plan been made from January 2019 – December 2020 which record the source of waste , type of waste , activity plan for the domestic waste management and waste , domestic waste , responsible person and status of waste. As for the collection center for scheduled waste, FGVPM had agreed to have on collection center located at Seriting Hilir 08 to transport all the waste to the registered collector by DOE. For the estate sample in Tembangau 3, 5 and 6, each of the estate had registered their own store to DOE for collection

- ESWIS registration for store → waste code SW 409 for Ladang FGV Tembangau 6 , register of Spent PPE updated on 21st January 2020 amounted 0.0315 MT.
- ESWIS Reg → January 20202 – through assistant manager dated 21/1/20202(SW409) refer AS : CH 11/123/111/002

- 30th January 2020 → SW 305 → Spent Oil A → Balance 1.9 MT
- SW 306 → Spent Oil → 0.04 MT
- SW 409 (chemical Container) → 1/.058 MT
- Rags → SW 410 → 0.3612
- SW 429 → Lab Waste discarded off site products → 0.04 MT

Sighted the triple rinsed record dated 20th June 2019 – total number of 10 (until today) for Genee 15, Garlon Mix = 74 triple rinsed and Monex = 10 Nos. Sighted the disposal waste with receipt voucher – Tembangau 3 : CLR 0280 19020008 which stated the details to SS Setia recycle items [triple rinse container] amounted RM 69.91 dated on 13th February 2019. Supplier had taken back the container at Felda Tembangau 3 which include 131 nos plastics to recycler G planter. Sighted the inventory of scheduled waste dated 20th January 2020 for 50 pieces spent gloves, 36 pieces of Mask of N95, 47 pieces Apron, and 10 pieces safety boots. There is a planning by safety department of FGVP to build centralized Collection Center at FGV Seriting Hilir 8 on month May 2020. Sighted the budget been approved for RM 15,000.00 the allocation for the estate to build the store area for scheduled waste. Sighted the landfill area at block 17 at PM 99C dated 29th January 2020 and open at the same day. Based on the interview and field verification there is no disposal fire for waste disposal and the waste collection had been conducted twice a week and if necessary 3 times a week. There is no disposal using fire as per evidence of Landfill at Block 36 Tembangau 6 at area PM 17 which recently open on 3rd February 2020.

Status: Comply	
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7.4

Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

7.4.1

The company has had best practices mechanism in maintain and improve long term soil fertility, set in document of Field Manual on Sustainable Palm Edition II of 2012. Those procedures set bunch of strategy to maintain and improve long term fertility, by combining efficient and measurable in-organic fertilization, take into account the oil palm age and soil nutrient properties by conducting leaf and soil sampling.

The efficient and non-excessive in-organic fertilization are critical to maintain soil structure and texture, combined with manuring by EFB mulching application. The FFB mulching conducted especially in land with low nutrient properties, or replanting, to improve soil structure and texture, microbiological properties, as well as to minimized in-organic fertilization if possible. Based on field observation in replanting area of Tembangau 5 Estate, known that biomass in replanting were chipped and returned to the soil as nutrient cycling strategy.

7.4.2

Based on the procedure, LSU and SSU conducted annually. The last SSU and LSU conducted on 18 June 2019, and has been used as consideration to arrange fertilization program.

7.4.3

The efficient and non excessive in-organic fertilization are critical to maintain soil structure and texture, combined with manuring by EFB mulching application. The EFB mulching conducted especially in land with low nutrient properties. Replanting area, to improve soil structure and texture, as well as to minimise in-organic fertilization if possible. The EFB application has been observed in the field, for instance in replanting area in Tembangau 5 Estate. Based on field observation in replanting area of Tembangau 5 Estate, known that biomass in replanting were chipped and returned to the soil as nutrient cycling strategy. The Mill did not conduct POME Land Application, the POME was despatch to the river and has a license in accordance to the government law.

7.4.4

The records of fertilizer input has been conducted, includes of type of fertilizer, amount and ha of application, application per ton of FFB, and application per ha. The fertilization and manuring strategies conducted has been proven increase and maintain sustain oil palm productivity.

Status: Comply	
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7.5		
Practices minimise and control erosion and degradation of soils.		
7.5.1		
Each Estate has had Soil Maps and Topography Maps based on soil survey of Felda Agricultural Services (FSB), that shown the soil type and soil slope. Based on the maps and field observation, known that there were no fragile or peat soil, as well as steep terrain (above 25 degrees).		
7.5.2		
There was no steep terrain based on topography maps. Based on field observation of replanting area in Tembangau 5 Estate (2018 and 2019), Tembangau 6 Estate (2018), known that there was no replanting area on steep terrain (above 25 degrees).		
7.5.3		
Based on document review and field observation, known that the company did not conduct new planting activity. The planting year of 2018 and 2019 were replanting.		
	Status: Comply	
7.6		
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.6.1, 7.6.2, 7.6.3		
Based on document review and field observation, known that the CH did not conduct new planting activity. The planting year of 2018 and 2019 were replanting.		
	Status: Comply	
7.7		
No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.		
7.7.1 to 7.7.7		
Based on Soil Maps (scale 1:17,500) issued by FASSB (Felda Agriculture Services Sdn Bhd), and field observations, it was not found peat land in operational area.		
	Status: Comply	
7.8		
Practices maintain the quality and availability of surface and groundwater		
7.8.1 and 7.8.2		
The Monsoon Drain for the mill had been analyzed for year 2019 which been taken since January 2019 – June 2019 and the average of the data parameter :		
<ul style="list-style-type: none"> - PH → 7.96 and 7.91 - BOD (mg/l) → 14 and 13 - COD (mg/l) → 101 and 75 - Total Solid SS → 358 and 192 - Suspended solid → 57 and 21 - Oil and Grease → 9 and 5 - Ammoniacal Nitrogen → 11 and 8 - Total Nitrogen → 29 and 23 		
Based on the result of Monsoon drain collected, sighted that there is not above the limit . Based on the field verification, map and interview with the management unit, there is no river passing through the sampling estate , Tembangau 3, 5 and 6 . hence there is no buffer zone for the estates and no river water quality monitoring required for the estates.		
The Water management plan for FGV estates had been considered through the water usage monitoring. Sighted the calculation according to the tariff usage of PAIP [government supply] year 2019 which include :		
<ul style="list-style-type: none"> - Office area → 1399.51 m3 = 1368.95 - Office Building → 2153.86 M3 = 2115.76 RM 		

- Staff housing area → 5512.78M3 = 5441.09 RM
- Workers Housing Area → 49786.96m3 = 49272.53 RM

Sighted FGV management had collected and calculated the water usage for the year 2019 . water been supplied from government water. The water management plan at the estate had been prepared including the place (estate) → water sources (from rainfall) → record reading of water → to make the water level (impact towards water catchment and stakeholders) → source of problem (less rainfall on march – September and causing the land and catchment drying) → action plan → EFB Application , build the drainage to retain the water during rain → assistant manager

Other buffer zones observed in the estates including the maintenance of buffer of RAMSAR Site near Tembangau 3 and 6 which include the signboard and no encroachment signages.

7.8.4

Sighted the mill water usage per tons FFB year 2019 :

- January = 0.85
- February = 0.97
- March = 0.97
- April = 1.11
- May = 1.08
- June = 1.19
- July = 1.25
- August = 1.13
- September = 1.05
- October = 1.06
- November = 1.18
- December = 1.37

Total Average = 1.02 liters/ Ton FFB

Water efficiency usage in the mill had been calculated as per monthly basis and record of water utilization had been kept. Since the ratio of water efficiency usage in the mill are roughly 1:1 FFB ratio per water usage , hence the mill are efficient enough to utilize the water usage.

Status: Comply

7.9

Efficiency of fossil fuel use and the use of renewable energy is optimised.

7.9.1

FGVPIB KS Seriting Hilir had recorded the fossil fuel usage in terms of utilization of Fiber [mass balance record] and the diesel usage for FGV Seriting Hilir Mill which include monitoring diesel use per ton FFB from January 2019 until December 2019. Based on the data, diesel used (liter) / FFB Production ratio of Liters / ton FFB :

- January – 2.2
- February – 1.03
- March – 0.84
- April – 0.92
- May – 0.85
- June – 1.10
- July – 1.26
- August – 0.92
- September – 1.19
- October – 1.52
- November – 2.67
- December – 3.32

Sighted also the plan to reduce diesel usage as followings :

- Monitoring and reduce the usage diesel in delivering the BTS from estate to the mill and daily operation liter / month
 - Replace the genset which TNB Electricity
 - Shut the engine during the waiting time sending the FFB from estate to the mill
- Service the car according to the timetable and need – 5000KM for the vehicle for each 3 months.

Status: Comply

7.10

Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.

7.10.1 , 7.10.2

The Palm GHG version 4 had been developed for Serting Hilir and the reporting to RSPO had been done on 13TH JANUARY 2020 as per email notification from RSPO. The Palm GHG result as follows :

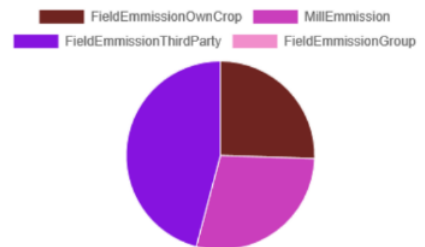
- KS Tenggaroh

FGV KS Serting Hilir - 2019 Summary

Summary Emission

Product	tCO ₂ e / tProduct	Action
CPO	0.53	
PK	0.53	
PKO	0.00	
PKE	0.00	

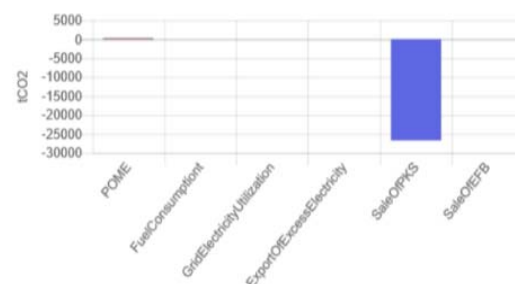
Description	Unit	Value	Action
Oil palm planted on mineral soil	Ha	14646.05	
Oil palm planted area on peat	Ha	0.00	
Total oil palm planted area	Ha	14646.05	
Conservation area (Forested)	Ha	163.64	
Conservation area (Non-Forested)	Ha	0.00	
FFB Production per hectare	t/ha	20.01	
OER	%	19.97	
KER	%	5.55	



Mill Emissions and Credits

Description	tCO ₂	tCO ₂ e/t FFB	Action
Emission Sources			
POME	396.05	0.00	
Fuel Consumption	59.06	0.00	
Grid Electricity Utilisation	0.00	0.00	
Credits			
Export of Excess Electricity to Housing & Grid	0.00	0.00	
Sale of PKS	-26852.32	-0.09	
Sale of EFB	0.00	0.00	
Total	-26397.21	-0.09	

Emission Source/Credit



Estate/Plantation field emissions and sinks

	Own			Group			3rd Party			
Description	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	Total
Emission Source										
Land Conversion	136111.60	9.29	0.93	0.00	0.00	0.00	0.00	0.00	0.00	136111.60
CO2 Emissions from Fertiliser	9358.47	0.64	0.06	0.00	0.00	0.00	0.00	0.00	0.00	9358.47
N2O Emissions from Peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N2O Emissions from Fertiliser	7816.56	0.53	0.05	0.00	0.00	0.00	0.00	0.00	0.00	7816.56
Fuel Consumption	799.52	0.05	0.01	0.00	0.00	0.00	0.00	0.00	0.00	799.52
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sinks										
Crop Sequestration	-129015.74	-8.81	-0.88	0.00	0.00	0.00	0.00	0.00	0.00	-129015.74
Sequestration in Conservation Area	-1500.58	-0.10	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	-1500.58
Total	23569.84	1.61	0.16	0.00	0.00	0.00	42343.35	0.00	0.00	65913.18

7.10.3

Significant pollutant had been recorded inside the waste action and management plan .The record of pollutant had been listed in Environment Aspect Impact. Sighted the record of aspect impact that being on 1st October 2019, action plan to reduce the environmental impact from estate activities :

- Giving training related to the management of spent chemical to the and tractor and person in charge
- Provide the temporary storage for the spent pesticide container after triple rinsed
- Collected the record on spent container and being kept at the storage arear
- Spent container collected and send to the contractor
- Monitoring of the premix area and SOP of mixing inside the office

Status: Comply

7.11

Fire is not used for preparing land and is prevented in the managed area.

7.11.1, 7.11.2 and 7.11.3

Sighted the replanting record in FGV Tembangau 3 – RKP enterprise Sdn Bhd on last replanting contract on year 2015
Sighted another contract of replanting for FGV Tembangau 5 [Banding Restu Sdn Bhd KLG 028015090001] which pre lining the trees for the replanting area and the details of replanting was not include prepared by burning method. There is no evidence on field observation related to fire being used in replanting area.

Sighted the fire drill dated 10th July 2019 been held at Tembangau 6 by Mr wan Kamal Wan Fikry attended by 24 staff and workers . sighted the report been made comprising :

- Action after hearing the siren
- Report to the emergency person.

Sighetd the BOMBA Department had attended the training and came from Pahang BOMBA at Tembangau 8 office ,Kemayan Pahang

Sighted the planning for year 2020 to engage the stakeholders [join training with stakeholders] which will be conducted on June 2020 by FGV Tembangau Complex . Based on the FGV training for year 2020 sighted the list of company

sustainability policy which stated in "fire training program yearly for all the workers and contractors 2020"

During the audit FGV Tembangau 3, 5 and 6, it was verified that the unit management has conducted the Fire Drill Training internally involving the staff and workers. However, there is no evidence of the fire prevention and control with adjacent stakeholders being conducted. This become **NCR 2020.01**

Status: NCR with Criteria 7.11.3

7.12

Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.

7.12.1, 7.12.4, 7.12.5, 7.12.7, 7.12.8

There is no new planting recorded inside the estate prior 15th November 2018. Sighted based on document and field verification at FGV Estate Tembangau 3, 5 and 6 as there are only replanting in the estates. The RACP for the FGV Holding group had been verified as the RACP and liability disclosure had included Seriting Hilir Complex and its supply bases as per previous complexes. HCV monitoring previous year had been recorded as per year basis. Management plan effectively implemented.

The HCS assessment not conduct in this certification scope due to, there is no new planting after 15 November 2018.

7.12.2, 7.12.3, 7.12.6

Biodiversity report had been conducted by the management unit. The Biodiversity report been made by Mr Zulfadzli from PSD department dated 20th December 2017 for the HCV assessment. However based on the new P and C, the unit need to revised the report to include the "RSPO Approved Assessor" to conduct the report. The UOC had send the list assessor to be trained as RSPO Approved assessor by giving the official letter. The company has opportunity for improvement to follow up on existing FGV estates with an HCV assessment conducted by an RSPO-approved assessor. **(OFI)**

The designated conservation area in the estate is in Tembangau 6 (RAMSAR SITE) which been explained the area and size on the basic information. The area is undeveloped due to watery and swampy area and FGV had given up the land to become Ramsar convention on wetlands Importance for the conservation and sustainable use of wetlands.

Sighted the record of monitoring wildlife in sensitive area which include details on recording such as:

- Date and time
- Area block
- Type of wildlife /sensitive aspect that being identified
- Traces of evidence
- Notes and type of wildlife found

The company had a record of monitoring the wildlife area and sensitive area as per details :

Date and Time	Stages/ block	Type of wildlife	Evidence of traces	notes	Name of recorder
30 th October 2019	T3 L3 – 14 : Staff Housing Area	Kongkang (<i>Lois Tardigradus</i>)	Picture	-	Bd rahaman
20 th October 2019	Blok 34, PM 00 E	Bear	Seen by the workers PM 00 E (Sukandi0		S Murugesan

The monitoring will be done on 3 monthly basis around the estate , name , location., type of RTE , traces of footsteps, comments, sensitive area like buffer zone, riparian river, swampy area, water retention pond, that being approved by the estate manager. Based on the sample taken in the estate , traces of wildlife/ RTE which is bear and kongkang. Monitoring plan had been made and regular observation had been carried out by the estate management.

HCV management been implemented according to management plan. Programme to regularly educate the workforce available based on the field interview and training sighted in the training list. Result of workers related to RTE been recorded as per detail. Interview result known that the workers already known the company to protect HCV area and RTE species.

Status: Comply

3.2 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or √
	The company does not use RSPO trademark.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or √
	The company does not use RSPO trademark.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
	The company does not use RSPO trademark.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
	The company does not use RSPO trademark.	√
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of RSPO Member against the rules for partial certification was determined through self-assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Compliance of the uncertified management units of FGV Holdings Berhad against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Felda Global Ventures Holdings Berhad Time Bound Plan is explaining in table 1.10. Felda Global Ventures Holdings Berhad run seventy one (71) mills and Seventy Five (75) Complex in Malaysia and Indonesia and no one has achieved RSPO certified. FGV Berhad has informed the Time Bound Plan progress, MUTU has considered that Felda Global Ventures Holdings Berhad is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Felda Global Ventures Holdings Berhad on April 2019.

MUTU has verified partial certification for un-certified unit's subsidiary of Felda Global Ventures Holdings Berhad based on their Time Bound Plan. There are seventy one (71) uncertified management unit of Felda Global Ventures Holdings Berhad. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process..
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><i>Company Group/Holding Statement:</i> Yes, there was an internal audit and has positive assurance statement.</p> <p><i>Auditor Verification:</i> Yes, at the current status only 67 complexes already have internal audit in year 2019. Seen the internal audit done by Certification & Due Diligence (CDD) Department. The NC during the audit still in progress to close. All certification bodies that will do the audit for FGV need to verify those NC. Others complex will do as per their time bound plan. Overall findings is positive as per before.</p>
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High 	<p><i>Company Group/Holding Statement:</i></p> <p><i>Auditor Verification:</i> As per this year audit, there has been no replacement</p>

	<p>Conservation Values (HCVs).</p> <ul style="list-style-type: none"> Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>of primary forest area. However, there is one issue reported by Chain Research Reaction regarding HCV clearance in Kalimantan.</p> <p>FGV already brief this issue to RSPO secretariat. All details summary as per below:</p> <table border="1"> <thead> <tr> <th data-bbox="841 531 1008 594">ISSUE</th><th data-bbox="1008 531 1224 594">ACTION PLAN PROGRESS</th><th data-bbox="1224 531 1385 594">DATE OF COMPLETION</th></tr> </thead> <tbody> <tr> <td data-bbox="841 594 1008 762">HCV clearance at PT CNP and PT TAA</td><td data-bbox="1008 594 1224 762">Engaged independent consultant for ground investigation</td><td data-bbox="1224 594 1385 762">20 April - 4th May 2016</td></tr> <tr> <td data-bbox="841 762 1008 863"></td><td data-bbox="1008 762 1224 863">Investigation finding presentation to FGV management</td><td data-bbox="1224 762 1385 863">9th May 2016</td></tr> <tr> <td data-bbox="841 863 1008 993"></td><td data-bbox="1008 863 1224 993">Brief presentation to RSPO on the investigation findings</td><td data-bbox="1224 863 1385 993">10 May 2016</td></tr> <tr> <td data-bbox="841 993 1008 1094"></td><td data-bbox="1008 993 1224 1094">Letter to stop all operation in HCV area</td><td data-bbox="1224 993 1385 1094">10 May 2016</td></tr> <tr> <td data-bbox="841 1094 1008 1262"></td><td data-bbox="1008 1094 1224 1262">1st Public statement on HCV clearance at PT CNP and PT TAA on FGV website</td><td data-bbox="1224 1094 1385 1262">22nd May</td></tr> <tr> <td data-bbox="841 1262 1008 1423"></td><td data-bbox="1008 1262 1224 1423">Discussion on Conservation and remediation plan with RSPO technical Director</td><td data-bbox="1224 1262 1385 1423">23 May 2016</td></tr> <tr> <td data-bbox="841 1423 1008 1591"></td><td data-bbox="1008 1423 1224 1591">2nd Public statement on HCV clearance at PT CNP and PT TAA on FGV website</td><td data-bbox="1224 1423 1385 1591">25 May 2016</td></tr> <tr> <td data-bbox="841 1591 1008 1724"></td><td data-bbox="1008 1591 1224 1724">Sent a letter to RSPO on action plan for PT CNP and PT TAA</td><td data-bbox="1224 1591 1385 1724">27th May 2016</td></tr> <tr> <td data-bbox="841 1724 1008 1894"></td><td data-bbox="1008 1724 1224 1894">3rd Public statement on HCV clearance at PT CNP and PT TAA on FGV website</td><td data-bbox="1224 1724 1385 1894">15 June 2016</td></tr> </tbody> </table>	ISSUE	ACTION PLAN PROGRESS	DATE OF COMPLETION	HCV clearance at PT CNP and PT TAA	Engaged independent consultant for ground investigation	20 April - 4 th May 2016		Investigation finding presentation to FGV management	9 th May 2016		Brief presentation to RSPO on the investigation findings	10 May 2016		Letter to stop all operation in HCV area	10 May 2016		1st Public statement on HCV clearance at PT CNP and PT TAA on FGV website	22 nd May		Discussion on Conservation and remediation plan with RSPO technical Director	23 May 2016		2nd Public statement on HCV clearance at PT CNP and PT TAA on FGV website	25 May 2016		Sent a letter to RSPO on action plan for PT CNP and PT TAA	27 th May 2016		3rd Public statement on HCV clearance at PT CNP and PT TAA on FGV website	15 June 2016
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		Develop the Conservation and Remediation plan and relevant SOP	1 st July 2016
		Appointment letter to engage independent external social mediator to handle negotiation with affected communities	1 st July 2016
		Conducted social mediation and engagement with affected communities	18 July to 30 July 2016
		Consultation with FGV legal department on local national regulation. Found that the area (PT CNP and PT TAA) were outside the Indonesia Peat Moratorium no. X (10)	30 July 2016
		4th Public statement on HCV clearance at PT CNP and PT TAA on FGV website	12 August 2016
		Sent the progress of action taken to RSPO using SRT V	19 August 2016
		Sent out the Conservation and remediation plan to PT CNP and PT TAA for implementation	7 Oct 2016
		Meeting with RSPO Technical Director and RSPO Complaint Coordinator on PT CNP and PT TAA issue	14 Oct 2016
		Sent the progress of action taken to	17 Oct 2016

			RSPO using SRT V	
			5th Public Statement on HCV clearance at PT CNP and PT TAA on FGV website	5 Nov 2016
			Meeting with RSPO secretariat on Compensation Panel feedback and our complaints on HCV updates in WSJ complaint update	25 Nov 2016
			Received comment and recommendation from RSPO compensation Panel on PT CNP	1 Dec 2016
			Meeting with the FGV Kalimantan at PT CNP office for further engagement with ELC/Aid environment and Aksenta	13 Dec 2016
			Meeting on new revised Indonesia regulation PP57 and PP 71 with Badan Lingkungan Hidup dan Kehutanan as well as with Dinas Perkebunan Kalimantan Barat	14 Dec 2016
			Meeting with ELC/AIDH and Aksenta on new proposal to include Aid environment proposal for our Landscape conservation plan	14 Dec 2016
			Meeting with PERMADA (Persatuan Madura & Dayaks) on their request to develop	15 Dec 2016

			the HCV area	
			Site visit to PT CNP and PT TAA with Kalimantan team	15 Dec 2016
			Finalizing the next action for conservation engagement with ELC/AIDH and Aidenvironment	16 Dec 2016
			Kalimantan operation to seek an area with local Bupati to replace the cleared HCV area	In progress
		REVIEW HCV ASSESSMENT	6th Public Statement on HCV clearance at PT CNP and PT TAA on FGV website	10 Feb 2017
			PERSADA meeting with RSPO Jakarta	9th Mar 2017
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<i>Company Group/Holding Statement:</i> There is new planting after 1 Jan 2010. <i>Auditor Verification:</i> NPP audit has been carried out for all FGVPM Estate and is currently under review. Data as per below		
		ESTATE	HECTARAGE INVOLVES IN NPP	Status
		FGVPM Chegar Perah 1	59.32	Still on going. Waiting consultant (Aksenta) to present the final report for HCV, SIA, LUCA & HCS assessment.
		FGVPM Bukit Sagu 8	61.54	
		FGVPM Tembangau 5	86.58	
		FGVPM Selendang 3	97.59	
		FGVPM Krau 2	170.78	Waiting consultant (Aksenta) to start NPP assessment in February 2017.
		FGVPM Krau 4	80.28	
		FGVPM Bukit Sagu 6	72.87	
		FGVPM Lepar Hilir 5	253.62	
		FGVPM	495.53	

		<table><tr><td>Tembangau 6</td><td></td><td></td></tr><tr><td>FGVPM Aring 10</td><td>518.52</td><td></td></tr><tr><td>FGVPM Setiu 01</td><td>130.72</td><td></td></tr><tr><td>Total</td><td>1,722.32</td><td></td></tr></table>	Tembangau 6			FGVPM Aring 10	518.52		FGVPM Setiu 01	130.72		Total	1,722.32	
Tembangau 6														
FGVPM Aring 10	518.52													
FGVPM Setiu 01	130.72													
Total	1,722.32													
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p><i>Company Group/Holding Statement:</i></p> <p><i>Auditor Verification:</i></p> <p>There is issue on land conflict although it was captured on Felra Membership, but FGV also indirectly involved as part of the claim involve FGVPM Sahabat 55 The issue still in progress. Data as per below:</p> <p>Member : Lembaga Kemajuan Tanah Persekutuan (FELDA) /Orang Dusun Desa Begahak Date Filed : 16 February 2015 Complaint : Community of Desa Begahak Complaint : The company has breached the communities user rights to the land in breach of Principle 2.2</p> <p>Status : Box F – Action Plan</p> <p>Synopsis</p> <p>According to the Enquiry National Hak Tanah of Malaysia conducted by SUHAKAM, the state government had given 1260 acres of land to the Dusun Begahak community in 1981. At the same time, the same land was alienated to FELDA for development.</p> <p>The complainant raised the issue that FELDA has no right to develop their land and should return it to the community because the land originally belonged to the community. The complainant also stated that the cemetery area is being developed by FELDA.</p> <p>FELDA enclave 916 acres of the said land and gave it back to the community on the 25th of May 1982. The community planted fruits and other crops on the land.</p> <p>We have received some evidence from both sides. The evidence needs to be scrutinised and investigated further.</p>												

		<p>Remarks</p> <p>2 July 2015 – It was agreed that the matter would be referred to the FELDA/FGV Sustainable Steering Committee on 7th July 2015.</p> <p>22 June 2015 – FELDA had another meeting with Robin Balud and the representatives of the community and agreed to exchange documents on the land claim. A site visit was also undertaken with the community members.</p> <p>4 June 2015 – FELDA met with Robin Balud again and agreed to do a joint mapping of the land.</p> <p>10 April 2015 – FELDA met the complainant, Robin Balud, in Kota Kinabalu Sabah, to discuss the complaint.</p> <p>9 April 2015 – FELDA met the community (Desa Begahak) members and discussed the issues from the complaint and the land claim.</p> <p>13 March 2015 – RSPO had a conference call meeting with the head of the Dusun Begahak community to understand the situation.</p> <p>16 March 2015 – RSPO had a conference call meeting with FELDA representatives to discuss the situation.</p> <p>17 March 2015 – The complaint was raised to the Complaint Panel for further discussion and action.</p> <p>4 June 2015 – FELDA met the complainant Robin Balud and discussed the main issues of the land claim and compensation.</p> <p>22 March 2016 – RSPO sent complaint notice to FELDA.</p> <p>1 April 2016 – State Land and Survey Department begin its mapping exercise.</p> <p>4 April 2016 – FELDA submits action plan to RSPO dated 27 March 2016.</p>
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		<p>6 May 2016 – FELDA withdraws its RSPO Principle and Criteria certificates.</p> <p>26 July 2016 – Complainant send a formal letter to FELDA to settle the customary land dispute.</p> <p>19 August 2016 – Progress report submitted by Felda.</p> <p>20 September 2016 – Felda met with the community to discuss on how they will progress on the complaint, once the joint mapping report is received from the Sabah Land and Survey department</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><i>Company Group/Holding Statement:</i></p> <p><i>Auditor Verification:</i> There is 1 issue happen in FGVPM Palong Timur 04 (Now FGVP M Palong Timur 05) and the details is elaborated below:</p> <ol style="list-style-type: none"> 1. FGVP M PALONG TIMUR 04 (NOW FGVP M PALONG TIMUR 05): Claims on 19.06.2012 with value of summon RM61,968.60 and summon status is Court Appeal
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><i>Company Group/Holding Statement:</i></p> <p><i>Auditor Verification:</i> During partial audit, 1 issue with DOE in FPISB Selancar 2A POM is sighted. Summon no: SJ 53-4/2016; Date 14.04.2016 in Mahkamah Seksyen Kuantan.</p> <p>Fixed for Trial on 01.03.2017, 02.03.2017 and 03.03.2017.</p> <p>Also 1 issue for minimum wages. Refer to 4.3.1</p> <p>All process still in progress and CB will verify this issue in next audit or during audit in this mill.</p>

3.4. Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1 Identification of Findings, Corrective Actions and Observations at IC Assessment

NCR No.	: 2018.01	Issued by	: Trismadi N
Date Issued	: 8 June 2018	Time Limit	: 7 June 2019
NC Grade	: Major	Date of Closing	: 5 December 2018
Standard Ref. & Requirement	2.1.1. Evidence of compliance with relevant legal requirements shall be available.		
Non-Conformance Description & Evidence observed (filled by auditor): Not all relevant legal requirement has been complied. 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 rd 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.			
Root Cause Analysis (filled by organization audited): Lack of monitoring by management to ensure there is competent person to conduct schedule waste.			
Correction (filled by organization audited): Mill have send a request to attend CepSWam training to FGV training department and FGV training department have registered Mr. Mohd Lutfi Bin Azmy to attend the training.			
Corrective Action (filled by organization audited): Mill will use 'jadual pematuhan' as guideline to ensure nothing is missed and mill manager will be responsible officer.			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 03 October 2018 The management units of Seriting Hilir sent the corrective evidence are list of attendance training Labelling, handling, storage, transfer and disposal of schedule waste on 03 January 2018, but there is no evidence if the persons has been training carried out by the relevant authority Verification on 5 December 2018 The management units showing the CePSWaM training for Mr. Mohd Lutfi Bin Azmy by Airwastewater Management Sdn Bhd dated 10 – 14 December 2018. Based on above document, this NC has been closed out.			
Verified by	: Trismadi N		

NCR No.	: 2018.02	Issued by	: Trismadi N
Date Issued	: 8 June 2018	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 7 February 2020
Standard Ref. &	: 2.2.2.		

Requirement	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves.
Non-Conformance Description & Evidence observed (filled by auditor): There are no evidence that physical markers are located and visibly maintained along the boundaries particularly adjacent to state land. Based on the monitoring record verifications, there are 18 boundary stones on FGVP(M) Tembangau 8; 7 boundary stones on FGVP(M) Tembangau 3, and 8 boundary on FGVP(M) Tembangau 7. Therefore based on sites verification there are 18 boundary stones on Tembangau 8, 7 boundary stones on Tembangau 3, and 1 boundary stone on Tembangau 7; in addition that there are no number of each boundaries.	
Root Cause Analysis (filled by organization audited): Lack of PIC awareness related the boundary stones monitoring.	
Correction (filled by organization audited): Fulfill the installation and numbering of boundary dtones.	
Corrective Action (filled by organization audited): Give awareness training to the PIC	
Assessor Evaluation and Conclusion (filled by auditor): Verification on 7 February 2020 The company show evidence of awareness training to boundary stones monitoring PIC. The company has had the program of boundary stone installation, and the documentation of the installation progress, and verified during field observation. This NC stated as closed and become opportunity for improvement for the company to monitor the re-installation of boundary stones in all estates.	
Verified by	: Sandra Purba

NCR No.	: 2018.03	Issued by	: Leonada
Date Issued	: 8 June 2018	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 7 February 2020
Standard Ref. & Requirement	: 4.4.1 An implemented water management plan shall be in place		
Non-Conformance Description & Evidence observed (filled by auditor): Based on biodiversity report of Tembangau 07 Estate in 2017, it is known that there is a river (Tembangau River) and the management has arranged the plan in the document of "Pelan Pengurusan Air tahun 2018". However, the management has not been able to show the implementation: <ul style="list-style-type: none"> - Water quality inspection document - There is no signboard of buffer zone found during field visits on Tembangau river block B20/21 Tembangau 07 Estate. 			
Root Cause Analysis (filled by organization audited): Lack of PIC awareness related the water management and monitoring.			

Correction (filled by organization audited): Fulfill the implementation based o biodiversity management plan	
Corrective Action (filled by organization audited): Give awareness training to the PIC	
Assessor Evaluation and Conclusion (filled by auditor): Verification on 7 February 2020 The company show evidence of biodiversity report of Tembangau 7 that already included the Tembangau River water quality inspection, and photograph of river signboard. Therefore this NC stated as comply.	
Verified by	: Ebnu Holdoon

NCR No.	: 2018.04	Issued by	: Leonada
Date Issued	: 8 June 2018	Time Limit	: 7 June 2019
NC Grade	: Major	Date of Closing	: 3 January 2019
Standard Ref. & Requirement	4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on interview with pesticide applicator known that they had aware about spraying tools and PPE placed at storage area. However this not a line in the implementation, for example: Based on the inspection at Tembangau 08; 1. There is no evidence of Spraying PPE are stored at the PPE Storage Area 2. Spraying Apron was found at the workers housing area. The Estate management cannot show the appropriate safety and application equipment shall be provided and used.			
Root Cause Analysis (filled by organization audited): Management weaknesses in ensuring that PPE of workers is kept in the appropriate place			
Correction (filled by organization audited): PPE of the sprayer is stored in the PPE Storage area.			
Corrective Action (filled by organization audited): 1. PPE of workers is stored in Equipment and PPE Store. 2. Provide Training and awareness on PPE handling to the field workers. 3. Prepare PPE Storage "Jadual Pemeriksaan Stor".			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 6 December 2018 The management unit was shown several evidence, such as: 1. Minute of meeting socialization of PPE store to 18 spraying workers and foreman dated 8 August 2018 by			

Field Assistant.	
2. Documentation of PPE spraying stores at the PPE Storage area.	
Verification on 26 December 2018	
The company show the evidences of workplaces inspection dated 13 November 2018 such as stor peralatan (tools storage), stor baja (fertilizer storage), stor racun (pesticide storage) etc. in those evidences know that proper PPE are provided in spraying activities, but the evidences are not related with the finding about the evidence of Spraying PPE are not stored in the PPE storage area.	
Verification on 3 January 2019	
The company show records of taking and restore PPE to the PPE storage area, for example in June 2018. Based on this evidences of corrections, the non-compliance is closed and will be observe in next assessment.	
(Closed with Observation)	
Verified by	: Leonada

NCR No.	: 2018.05	Issued by	: Leonada
Date Issued	: 8 June 2018	Time Limit	: 7 June 2019
NC Grade	: Major	Date of Closing	: 3 January 2019
Standard Ref. & Requirement	4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.		
Non-Conformance Description & Evidence observed (filled by auditor):			
Based on the inspection, Tembangau 08 estate (1 harvester), Tembangau 03 Estate (1 Sprayer) and Tembangau 07 Estate (1 Sprayer and 3 harvester) found the safety boot using by the workers are provided by themselves. However, based on the documentation and interview there is an evidence of Safety Boots are provided by the management. Estate Management has poor monitoring system to ensure the workers are using the safety boots in accordance to Safe Work Procedures.			
Root Cause Analysis (filled by organization audited):			
Management weaknesses to ensure all workers use PPE in accordance with standards, the PPE's inspection didn't conducted in accordance to procedure number FGVPML/L3/PK-25.			
Correction (filled by organization audited):			
<ul style="list-style-type: none"> - Record of PPE provision - Record of PPE replacement - Record of PPE training 			
Corrective Action (filled by organization audited):			
<ul style="list-style-type: none"> - Provide training to all workers related to the use of PPE - Provides records on the provision and replacement of PPE - Site supervisor will be responsible person to ensure the usage of PPE during roll call. 			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on 14 August 2018			
The management show the evidences as follow:			

- Record of PPE provision in 2018 such as safety shoes, apron, gloves, etc.
- Record of PPE replacement in 2018 such as safety shoes, apron, gloves, etc.
- Record of PPE training on 25 June 2018 (Tembangau 07 Estate & Tembangau 03 Estate), 5 July 2018 (Tembangau 08 Estate).

Verification on 3 January 2019

The management show the records of PPE inspection for example in harvesting activities dated 30 July to 2 August 2018. Based on this evidences of corrections, the non-compliance is closed and will be observe in next assessment. **(Closed with Observation)**

Verified by : Leonada

NCR No.	: 2018.06	Issued by	: Ebnun Holdoon
Date Issued	: 8 June 2018	Time Limit	: 7 June 2019
NC Grade	: Major	Date of Closing	: 8 January 2019
Standard Ref. & Requirement	5.2.1 Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).		
Non-Conformance Description & Evidence observed (filled by auditor): Not all information collated in a biodiversity assessment has not being finalized. Based on the biodiversity report Tembangau 07 verification, it was found that information is still being finalized and completed. i) The buffer zone area are still not identified ii) Map area and relevant wider landscape-level is not appropriate			
Root Cause Analysis (filled by organization audited): The weaknesses in ensuring that the Biodiversity Assessment Report is conducted correctly and completely			
Correction (filled by organization audited): To complete all information in the Biodiversity Assessment Report.			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> - Redo Biodiversity checks on the estate. - Provide Biodiversity awareness and training - Provide new Biodiversity Assessment Report. 			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 10 August 2018 The FGV Unit at Tembangau had send the evidence as per details : i) Monitoring records for the wildlife and hotspot areas (monitored on 25 th April 2018) ii) HCV and RTE training dated 29 th November 2017. 18 persons attended – sighted the objective and agendas related to awareness of HCV areas However, the unit has not identified the sensitive areas especially related to RAMSAR areas and buffer zone areas. Map related to landscape level are also not updated and the report are still pending. Hence the NCR are still OPEN			

Verification on 3 January 2019

The management unit had send the evidence:

1. The updated HCV & Biodiversity Assessment report at Tembangau 07 dated 28 November 2017; there are wide landscape map which inform surrounding area.
2. There are several conservation area, such as: riparian of Tembangau River; buffer zone with HCV of Tembangau 06.
3. Biodiversity management plan period of 2018 to 2023 for both of area, for example: signboard installment, socialization of buffer zone to all workers, signboard monitoring and others.
4. Socialization of HCV area to the workers and staff dated 29 November 2017.

Verification on 8 January 2019

The management unit was shown several evidences, such as:

1. FGVP Tembangau 05 Biodiversity report, there are buffer zone borders with Protected Forest (Ramsar Tasik Bera) along 6 Km; unplanted area (\pm 150 Ha without ALS assessment) and (\pm 45.85 Ha with ALS assessment). There are no RTE species, however the management unit has Biodiversity Management Plan period of 2017 – 2022.
2. FGVP Tembangau 06 Biodiversity report, there are buffer zone borders with Protected Forest (Ramsar Tasik Bera); Riparian of Tembangau River near with area 449.7 Ha (it has been assessed by ALS); water reservoir (9.61 Ha). There are four Endangered Species was found, such as: *Panthera tigris*, *Hystrix brachyura*, *Manis javanica*, and *Tapirus indicus*. The management unit has Biodiversity Management Plan period of 2017 – 2022.
3. FGVP Tembangau 08 Biodiversity report, there are buffer zone borders with Protected Forest (Ramsar Tasik Bera); Indigenous People (Suku Semelai) There are four Endangered Species was found, such as: *Panthera tigris*, *Hystrix brachyura*, *Manis javanica*, and *Tapirus indicus*. The management unit has Biodiversity Management Plan period of 2017 – 2022.

Auditor Conclusions:

Based on above explanation, this NCR has been closed.

Verified by	: Ebnu & Trismadi N
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NCR No.	: 2018.07	Issued by	: Ebnu Holdoon
Date Issued	: 8 June 2018	Time Limit	: 7 June 2019
NC Grade	: Major	Date of Closing	: 10 October 2018
Standard Ref. & Requirement	: 5.3.2 All chemicals and their containers shall be disposed of responsibly.		
Non-Conformance Description & Evidence observed (filled by auditor):			
Not all waste products and sources of pollution had been identified and documented. Based on the document verification and observation at KKS Seriting Hilir, it was found that :			
<div><div>1.</div><div>Spent Isopropanol Alcohol, and Hexane used in the laboratory of the mill are not identified as scheduled waste item</div></div> <div><div>2.</div><div>Spent filters found at the scrap iron and not identified as scheduled waste</div></div> <div><div>3.</div><div>Spent lubricant and hydraulic oil are not classified according to Scheduled waste regulation</div></div> <div><div>4.</div><div>Empty lubricant drums were found at scrap iron area and not identified as Scheduled Waste</div></div>			
On the other hands, it was found that in the estate :			
<div><div>1.</div><div>Spent filters near the Generator room not identified as Scheduled waste - Tembangau 3</div></div>			

2.	Spent lubricant container found inside the Genset room and has not being identified as Scheduled waste item -Tembangau 3
3.	Spillage spent lubricant observed inside the monsoon drain – Tembangau 3
4.	Spillage of diesel at diesel tank area. - Tembangau 3
5.	spent Paint container are being mixed up with tripled rinsed store – Tembangau 7
6.	Spent battery was found at the general store area – Tembangau 7
Root Cause Analysis (filled by organization audited): Management weaknesses in ensuring all employees understand the Management of Scheduled Waste.	
Correction (filled by organization audited): - Record / classify chemical containers as Scheduled Waste Materials.	
Corrective Action (filled by organization audited): - Record / classify as Scheduled Waste: a. Alcohol Isopropanol b. Hexane c. Oil filter d. Lubricating oil and hydraulic oil e. Drum lubricant is empty - Provide Scheduled Materials Waste Management Training and Awareness FGVPM Tembangau 3 - Record / classify as Scheduled Waste: a. "Filter" b. Lubricants containers - Clean the monolithic drainage in the Generator room area. - Clean the diesel spill in the diesel tank area. - Provide Scheduled Materials Waste Management Training and Awareness. FGVPM Tembangau 7 - Separate paint container from 3X rinsed container. - Separate the battery from the equipment store. - Provide Scheduled Materials Waste Management Training and Awareness.	
Assessor Evaluation and Conclusion (filled by auditor): Verification on 10 October 2018 Based on the NCR Evidence send by the FGV Management , it was concluded that : i) Registration on ESWIS System on 31 st July 2018 on SW 305 (1.112 MT),SW 306 Hydraulic Oil (0.00 MT), SW 410 Cotton Rags (0.002 MT) SW 409 Disposed Container (Spent Drums) , SW 429 Laboratory Waste (Spent IPA and Hexane) . All the listed items had been registered into ESWIS System and the verification of Implementation will be inspected on the next assessment. (Mill NCR Closed) ii) Sighted the minutes meeting of the training related to scheduled waste item to be classified in the estate dated 4 th July 2018 at meeting room attended by Safety Health Officer, Assistant Manager, RSPO Clerk, staff assistant , quality assistant. Sighted the program objective explanation on scheduled waste management, workers contract, that is responsible for the Generator Area , explanation scheduled waste item, procedure on scheduled waste item as per requirement of FGVPM. Sighted also the evidence of the scheduled waste item had been recorded into the inventory and registered into scheduled waste item (SW 305 and SW 410) dated 28 th June 2018 verified by Mr Meor Zakaria, manager of FGV Tembangau 03. Based on the evidence se, the Major NCR had been closed and the implementation will assessed on the next verification. iii) Sighted the training at Tembangau 07 dated 26 June 2018at meeting room by estate Management	

to assistant managers, driver , assistant clerk, store clerk, RSPO clerk ,managers and FASSB. Based on the training objective, agenda and program, sighted the explanation on scheduled waste item, procedure on handling scheduled waste, explanation on the first schedule on schedule waste item, and explanation on disposal waste area. Sighted the area had been arranged according to the scheduled waste item and the tripled rinsed container had been washed and punctured. Based on the evidence send, the MAJOR NCR for Tembangau 07 had been closed	
Verified by	: Ebnu

NCR No.	: 2018.08	Issued by	: Ebnu Holdoon
Date Issued	: 8 June 2018	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 7 February 2020
Standard Ref. & Requirement	: 5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.		
Non-Conformance Description & Evidence observed (filled by auditor):			
There is no evidence of implementation waste management at the management unit. Based on the observation at KKS Seriting Hilir and Estate, it was observed that Domestic waste management in Housing area of Tembangau 8, 3 and 7 are not according to disposal waste procedure.			
Root Cause Analysis (filled by organization audited):			
There is no facility provided by mill management for the workers to segregate the waste accordingly.			
Correction (filled by organization audited):			
Provide facility for the workers in order for them to segregate domestic waste.			
Corrective Action (filled by organization audited):			
Briefing about waste management had been given to the workers on morning assembly.			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on 10 October 2018			
The KKS Seriting Hilir was shown evidences:			
1. One set trash can for paper, glass, and plastic & aluminums has been install in the mill area, there are also signboard for waste management near of this trash can.			
Auditor conclusion:			
There are no evidence for Tembangau 3, 8 and 7.			
The NCR is still open.			
Verification on 7 February 2020			
Based on the observation at KKS Seriting Hilir and Estates sampled on ASA 1, it was observed that domestic waste management in housing are in according to disposal waste procedure. Therefore, the NC stated as complied.			
Verified by	: Trismadi N/ Ebnu Holdoon		

NCR No.	: 2018.09	Issued by	: Ebnu Holdoon
Date Issued	: 8 June 2018	Time Limit	: 7 June 2019
NC Grade	: Major	Date of Closing	: 10 August 2018
Standard Ref. & Requirement	: 5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003.		
Non-Conformance Description & Evidence observed (filled by auditor): Traces of open burning during post chipping activities at replanting area Tembangau 7 – Blok B20 / B21 Based on the field verification at Tembangau 7, it was observed that several spot of palm chipping are burnt. Hence, it is against the FGV Policy of Zero Burning established on June 2014 which stated “.			
Root Cause Analysis (filled by organization audited): Management weaknesses in ensuring that all Policies are complied with at work or during the course of work by all estate workers and contractors			
Correction (filled by organization audited): Provide Awareness training on FGV “Polisi Larangan Pembakaran Terbuka” to all estate workers and contractors			
Corrective Action (filled by organization audited): - Provide an “Larangan Pembakaran Terbuka” Letter to the contractor doing the replanting work. - Provide Awareness Training to plantation workers and replanting contractors regarding the FGV “Polisi Larangan Pembakaran Terbuka”.			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 10 August 2018 The unit has submitted the corrective evidence from FGV tembangau 7 as followed : i) Talk and awareness regarding No Open Burning – collected objective program, full agenda of the program, scope and workers involved . sighted the training and awareness dated 27 th June 2018 to all the workers related to replanting activities and addressed by the assistant managers and Tembangau 7 Manager. ii) Sighted the warning letter from Jawatankuasa Pandu RSPO Felda / FGV regarding letter no open burning dated 24 th July 2015 to the respected contractor VNET ENTERPRISE, replanting dated 27 th June 2018 as per acknowledgement of no open burning at all in any FGV Premises and housing areas iii) Sighted the warning letter from FGV to replanting contractors to Hakimyana Jaya Enterprise dated 27 th June 2018 regarding no open burning in estates and replanting areas. iv) Sighted the warning letter from “Jawatankuasa Pandu RSPO FELDA/FGV (Joint Committee of RSPO FELDA/FGV)” to all FGV managers , estate managers FGVP, estate managers FASSB, Estate manager FTPSB ,Felda Managers and Mill Manager FPISB regarding no open burning in all FGV Premises without DOE authorized permission Based on the evidence given, it was concluded that the NCR for 5.5.1 is closed .			
Verified by	: Ebnu		

NCR No.	: 2018.10	Issued by	: Moh Arif Yusni			
Date Issued	: 07 Juni 2018	Time Limit	: 7 June 2019			
NC Grade	: Major	Date of Closing	: 8 January 2019			
Standard Ref. & Requirement	: 6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.					
Non-Conformance Description& Evidence observed: Social Impact Assessment was held on by Plantation Sustainability department from HQ. The assessment done by field interviews (group interviews and one-on-one interviews, consultation with the unit management, site observation and documentation review. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes. Sighted the negative impacts connected to a management plan that all falls within short term such as wild dog's movement at worker's quarters and the action taken was to engage with local veterinary. However, seen the assessment not effectively assessed on wider scope to include issues such as potential <ul style="list-style-type: none"> - Social impact and management plan due to replanting in Tembangau 07 & 08 which has affected monthly wages of field workers, - The presence of foreign workers from various countries and the impact to local communities, - Domestic waste disposal site that sometimes use by surrounding communities. - The estate also should give consideration on how the contractor workers has social impact on estate workers. 						
Root Cause Analysis (filled by organization audited): The weaknesses in ensuring that all Social Impacts involving external stakeholders are documented						
Correction (filled by organization audited): Estate SIA reports to include: <ol style="list-style-type: none"> 1. The effect of replanting works to the estate workers monthly income. 2. The presence of foreign workers from various countries and impact on local communities. 3. Domestic waste disposal sites that are sometimes used by the surrounding communities. 4. Farm management should pay attention to how the contractor's employees have a social impact on farm workers. 						
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> - Estate SIA reports to include: <ol style="list-style-type: none"> 1. The effect of replanting works to the estate workers monthly income. 2. The presence of foreign workers from various countries and impact on local communities. 3. Domestic waste disposal sites that are sometimes used by the surrounding communities. 4. Farm management should pay attention to how the contractor's employees have a social impact on farm workers. - Mitigation plan of the Estate SIA Report. 						
Assessor Evaluation and Conclusion (filled by auditor): Verification 10 August 2018 The management unit addressed the documents of Social Impact Assessment document for Tembangau 7 Estate and Tembangau 8 Estate that explains aspects that are affected by the company's operational activities accompanied by it action plan. The action plan categorized into 4 as emergency [immediate attention], short						

term [resolve within a year], mid-term [resolve within 6-12 months] and long term [implementation within 2 years].

related to the corrective evidence that submitted, the conformity on this indicator is still **Open** due to

- The corrective evidence only for Tembangau 7 estate and Tembangau 8 Estate while for other management units within the scope of the audit cannot be addressed.

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Verification 26 December 2018

The management unit addressed the documents of Social Impact Assessment document for 03 Estate that explains aspects that are affected by the company's operational activities accompanied by it action plan. The action plan categorized into 4 as emergency [immediate attention], short term [resolve within a year], mid-term [resolve within 6-12 months] and long term [implementation within 2 years].

related to the corrective evidence that submitted, the conformity on this indicator is still **Open** due to

- The corrective evidence only for Tembangau 3, Tembangau 7 estate and Tembangau 8 Estate while for other management units within the scope of the audit cannot be addressed.

Verification 08 January 2018

The management unit addressed the documents of Social Impact Assessment document for FGVP M Tembangau 05; FGVP M Tembangau 06; FGVP M Tembangau 09; FGVP M Serting Hilir 09; FASSB Serting Hilir that explains aspects that are affected by the company's operational activities accompanied by it action plan. The action plan categorized into 4 as emergency [immediate attention], short term [resolve within a year], mid-term [resolve within 6-12 months] and long term [implementation within 2 years]. Meanwhile the documents SIA also involved foreign workers from various countries and the impact to local communities,.

Related the corrective evidence that addressed the non-conformity on this indicator stated closed and will be verify on next assessment.

Verified by	:	Arif Yusni
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3.4.2 Identification of Findings, Corrective Actions and Observations at ASA 1 Assessment

NCR No.	:	2020.01	Issued by	:	Ebnu Holdoon
Date Issued	:	February 07th, 2020	Time Limit	:	ASA 2
NC Grade	:	Non-Critical	Date of Closing	:	
Standard Ref. & Requirement	:	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.			
Non-Conformance Description and Evidence observed (filled by auditor) <p>During the audit FGV Tembangau 3, 5 and 6, it was verified that the unit management has conducted the Fire Drill Training internally involving the staff and workers. However, there is no evidence of the fire prevention and control with adjacent stakeholders being conducted.</p>					
Root Cause Analysis (filled by organization audited): <p>Lack of awareness on Fire Drill Training to the stakeholders of the estate</p>					
Corrective Action (filled by organization audited): <p>1. Provide Fire Drill information to stakeholders of the estate 2. Perform Fire Drill Training to the stakeholders of the estate</p>					
Preventive Action (filled by organization audited): <p>Appointing officers responsible for Training Programs and Records in the estate</p>					
Assessor Evaluation and Conclusion (filled by auditor):					
Verified by	:				

NCR No.	:	2020.02	Issued by	:	Arif Faisal Simatupang
Date Issued	:	February 07th, 2020	Time Limit	:	May 07th, 2020
NC Grade	:	Critical	Date of Closing	:	April 10th 2020
Standard Ref. & Requirement	:	Certification System; Clause 4.5.3 <p>Time-bound plan: A time-bound plan for certifying all its management units and/or entities, including the units where the organization has management control and no or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan should contain a current list of all estates and mills.</p> <p>(c) Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the timebound plan are permitted only where the organization can demonstrate to the CB that they are justified.</p>			

	The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent).
Non-Conformance Description and Evidence observed <i>(filled by auditor)</i> The company has Time Bound Plan updated as per December 2019. In the Time Bound Plan, there are 10 Mills and supply bases plan to be certified in 2019. However, currently in 2020 those Mills are not yet being certified or audited. Hence, the company could not show the revision and the justification of the Time Bound Plan for the uncertified unit in 2019, and as well as the status of Ramsar boundary area in Tembangau 6 total hectare of 449 ha.	
Root Cause Analysis <i>(filled by organization audited):</i> Lack of information sharing in internal, related the updated TBP and the status of Ramsar area.	
Corrective Action <i>(filled by organization audited):</i> Provide latest updated Time Bound Plan of FGVH, and clarify the status of Ramsar area.	
Preventive Action <i>(filled by organization audited):</i> To assign person in charge of Time Bound Plan of FGVH and improve coordination.	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification of 10 April 2020 : The company provides the latest update TBP of April 4 th 2020, shows that those 10 Mills planned to be certified in 2019, have been audited by CB (initial certification). However, not granted the certificates yet. It is also verified through public announcements in RSPO website, that those Mills already audited by CB in 2019. Related to the status of the Ramsar area, the company has shown evidence that the area is a conservation area owned by the government, and will not develop as a planted area by the company. For instance, sighted the letter from Environmental Agency of Negeri Pahang (<i>Jabatan Alam Sekitar, Kementerian Sumber Asli dan Alam Sekitar</i>) dated 11 July 2017, stated that based on Term of Reference and Environmental Scoping Information of Oil Palm Plantation Project in Tembangau 6, that the area was excluded from company's operational area. Therefore, has no obligation to submit mandatory report such as Environmental Impact Assessment. Based on the evidence provided, this nonconformity stated as has complied.	
Verified by	: Arif Faisal Simatupang

3.4.3 Opportunity for Improvement

No.	Reff standard	Description
1	2.1.1 (C)	<ul style="list-style-type: none"> The mill management has initiated the Fire Certificate application [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. Sighted the 1st phase budget approval for Fire Fighting System dated on 16/05/2019 which allows the JKK (<i>Jabatan Khidmat Korporat</i>) to proceed sourcing for drawing and submission. Based on the time bound plan for the FGVPIB, the Serting Hilir POM to obtain fire certificate by 2020. As for compliance against <i>Jadual Pematuhan</i>, Point 31, the mill has no competent person as Certified Environmental professional in the Treatment of Palm Oil Mill Effluent – Pond Processes. However, the mill had send the application for the Mill Manager of Serting Hilir to attend the course from DOE -EIMAS
2	2.1.3	Continuing the progress of re-installation of boundary stones in all estates.
3	3.4.3 (C)	Consideration to improve the Social Impact assessment being conducted regularly based on the arising issues in the estate
4	4.4.1 (C)	The company consider to followed up the progress of extension of agreement between FGVAS with FELDA
5	Criteria 5.2	Consideration to improve the definition of smallholders in terms of Felda context in the mill.
6	6.2.4 (C)	Considered to continue the progress of repairing housing complex in all estates according to the company housing standard.
7	7.12.2 (C)	To follow up on existing FGV estates (Tembangau 3, 5 and 6) with an HCV assessment conducted by an RSPO-approved assessor (referral to letter by Senior Management of SCCD).

3.4.4 Noteworthy Positive Components



No	Description
1	Company has commitment to implement the principle of sustainable palm oil management.
2	Good filing system maintained at all estates and mill
3	Commitment of Tembangau 6 to implement 5s, Lot 10.
4	Implementation of Visual Control Method
5	The Mill has installation of Biogas Plant to reducing GHG Emissions.

3.5 Summary of Arising Issues from Public

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Contractors of FFB Transport/Supplier For FGV Tembangau 3,5 and 6 [Five Zal Enterprise]</p> <p>3 local contractors [FFB Supplier] had been interviewed during the audit. Based on the interview, the payment method, contracting and workers welfare had been a priority concern of FGV Plantations Malaysia. The contract been made in the HQ FGV [Wisma FGV] in Kuala Lumpur and the contracting been made through "Procurehere" system since year 2019. The method of payment will be done by Cheque and payment been made on monthly basis based on the contract and invoice issued. Sighted no complain has been logged in towards the FGV management and the contractor are satisfied with FGV Management in handling the contract. The contract is on yearly basis and conducted in FGV-HQ in Kuala Lumpur. FGV management also giving information to the Contractor during signing the contract that they should obey the latest company policies [GSP 3.0], safety policy, the anti bribery policy and the local contractor had been also continuously brief by Estate manage. The Contractors also kept the contract agreement copy with them. Every single policy and legal requirement are clearly stated in the contract. Based on the interview, sighted no complain towards FGV management of mill and estate . Based on the interview , the estate will issue the SPK [Surat Perintah Kerja] for the contractor if the work are lesser than 200 tonnes per month. Together with SPK is Supplier Code of Conduct which been stated the company of child labor and force labor. Sighted the SPK that had been signed in the estate together with SCOC [Supplier Code of Conduct] which the contractor will follow and known the FGV Policy related to RSPO principle including Force labor, Child Labor, and Malaysian Legal requirement.</p>	<p>The company will continue to keep a good relation between the contractors and FGV management and continuous engagement will be enhanced from time to time to ensure the latest policy of FGV is well communicated</p>
<p>Workers Representative from FGV Tembangau 3, 5 and 6 [Indonesian, Bangladeshi and India Workers representative]</p> <p>The workers representative had been interviewed during the audit in the estates and mill. Based on the interview, the workers shows satisfaction towards the way FGV management treated them as a part of FGV operations. All the amenities, facilities, workers housing and basic needs had been provided by the management. The workers from Indonesia had been working with the company for almost 10 years. Based on the feedback, they showed satisfaction towards the improvement made by the estate management such as preparing the new workers quarters housing and freedom to keep</p>	<p>FGV management will continue to give full cooperation towards the workers and maintain the commitment in giving the adequate and decent living condition regardless any races or nationality. In related to the issues arising, the management had taken note and early explanation given to the auditors are :</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>the passport and going to the nearby town. Sighted also the management meeting with the managers [welfare and safety meeting] that been done quarterly to gain the feedback from the workers and resolve the issues arising if any. Few request and aspiration had been made by the workers :</p> <ul style="list-style-type: none"> - Transportation to town Bahau for salary cash collection - Amount of 200.00 RM for the workers medication inadequate - Insurance SOCSO Explanation 	<ul style="list-style-type: none"> - Van been provided to the worker every twice a month and the frequency will be increase as per need basis for going to the town in Bahau - Further elaboration related to SOCSO Insurance will be conducted by FGV PM to the workers to reduce uncertainty - Revision on 200.00 RM amount of external medication will be discussed in higher level due to agreement concern
<p>Teacher from SK Tembangau 6</p> <p>The teacher from SK Tembangau 6 had been interview. He has been working for the past 10 years. Based on the interview, the teacher are satisfied towards the commitment made by the FGV management in helping the students such as transportation and extra tuition class been contributed. The teacher had also expressed their appreciation towards FGV in contributing the to the local development of the student by providing the van for local student in Tembangau 6. The government had also buiold the hostel for the aboriginal people in Tembangau 6 [Orang Asli Pos Iskandar]. The teacher also had been invited previously by FGV Management and the issues and concern of FGV management towards sustainability is good.</p>	<p>FGV Tembangau 6 management will keep the close relation with the school , secondary , primary and also kindergarten to ensure the cooperation between the school and FGV being continued.</p>
<p>Local People – Peneroka Felda</p> <p>Based on the interview, the Settlers had reported no issues related towards the local workers/ foreign workers in the estate. There is a patrolling surrounding the estate and the police had kept the security inside the estate in control. Based on the interview with the settlers, the cooperation between the FGV management and local settlers are in control. Sighted no encroachment by local people or foreign workers to the villagers nearby.</p>	<p>No issues raised. The settlers had expressed the appreciation towards the cooperation given by the FGV management to the local settlers.</p>
<p>Ladang PKPP and Felcra [External Stakholder nearby estates]</p> <p>Based on the interview, there is no major issues related to FGV Tembangau and Serting Hilir Complex as the estate are supplying the FFB to the mill. There is one concern related to Settlers cattle which related to the settler in Felda. The relation between the FGV</p>	<p>The FGV estates Tembangau Complex will continue to cooperate with external stakeholders in achieving the RSPO certification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
Management and nearby estates is good and cooperation had been given accordingly for the sustainability certification MSPO and RSPO. No land disputes recorded and raised up in the meeting.	

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>FGVPISB Kilang Sawit Seriting Hilir Management Representative</p>  <p><u>Ameer Izyanif Hamzah</u> April 10th 2020</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Arif Faisal Simatupang</u> April 10th 2020</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Majlis Kebajikan dan Pembangunan Masyarakat Kebangsaan Malaysia	Malaysia	makpem@gmail.com	Questionnaire	3 February 2020		✓
2	Pesticide Action Network Asia & Pacific	Malaysia	panap@pana.p.net	Questionnaire	3 February 2020		✓
3	Environmental Protection Society	Malaysia	epsm@epsm.org.my	Questionnaire	3 February 2020		✓
4	Gender Committee	Serting Hilir	-	Direct Interview	5 February 2020	✓	
5	Local Contractor	Serting Hilir	-	Direct Interview	5 February 2020	✓	
6	Contractors of FFB Transport For FGV Tembangau 3,5 and 6 [Five Zal Enterprise]	Serting Hilir	-	Direct Interview	5 February 2020	✓	
7	Workers Representative from FGV Tembangau 3, 5 and 6 [Indonesian, Bangladeshi and India Workers representative]	Serting Hilir	-	Direct Interview	5 February 2020	✓	
8	Teacher from SK Tembangau 6	Serting Hilir	-	Direct Interview	5 February 2020	✓	
9	Local People – Peneroka Felda	Serting Hilir	-	Direct Interview	5 February 2020	✓	
10	Ladang PKPP and Felcra [External Stakeholder nearby estates]	Serting Hilir	-	Direct Interview	5 February 2020	✓	
11	Serting Hilir POM: - Security Post : 2 local workers - Loading Ramp / grading : 3 local workers - Weighbridge Station : 1 local worker	Serting Hilir	-	Direct Interview	3 February 2020	✓	
12	FGVP(M) Tembangau 03 Estate - FFB Harvesters: 4 Indonesian, 1 Bangladeshi - Spraying Workers : 2 Indian, 4 Bangladeshi - Manuring : 2 Indonesian, 4 bangladeshi -	Serting Hilir	-	Direct Interview	4 February 2020	✓	
13	FGVP(M) Tembangau 05 Estate - FFB Harvesters: 10 Bangladeshi - FFP grading clerk : 1 local worker - Spraying Workers : 2 Indian, 2 Bangladeshi	Serting Hilir	-	Direct Interview	5 February 2020	✓	

14	FGVP(M) Tembangau 06 Estate - FFB Harvesters: 2 Indonesian, 6 Bangladeshi - FFP transporting worker : 1 Bangladeshi - Spraying Workers : 3 Bangladeshi	Serting Hilir	-	Direct Interview	6 February 2020	✓	

Appendix 2. Assessment Program

DATE	2 – 7 February 2020	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Sunday, 2 February 2020		
11.00 – 14.00	Travelling from Jakarta to KLIA	Faisal, Sandra
14.00 – 17.00	Travelling from KLIA to Bahau	Faisal, Sandra, Ebnu
Monday, 3 February 2020		
08.00 – 09.00	Opening Meeting in KKS Serting Hilir <ul style="list-style-type: none"> - Auditee Speech (Introduction of PIC, Profile of Mill and Estates) - Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification) 	Auditor Team
09.00 – 13.00	Document Audit at KKS Serting	Auditor Team
13.00 – 14.00	Break and Lunch	Auditor Team
14.00 – 16.30	Document Audit and Field visit to KKS Serting Hilir <ul style="list-style-type: none"> - Supply Chain verification (FFB Receiving, Weighbridge, Dispatch) - Field observation of Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, & Processing Activity - Field observation of POME Pond, WTP, empty bunch area, POME Land Application. 	Faisal Sandra Ebnu
Tuesday, 4 February 2020		
08.00 – 13.00	Document Audit, Field Observation, and stakeholder consultation of Tembangau 3 <ul style="list-style-type: none"> - Observation of Agronomy Aspect : Harvesting, Manuring, Pesticides Application, IPM, EFB Application, - Legal Demarcation Aspect : Inspection of Legal Boundary Stones, Community Buffer Area/Enclava - Conservation area and HCV (if any) - Observation of Workers Facilities : Housing, School, Worship Place. - Observation of Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management. - Interview with Worker's Union, Gender Committee, Local Contractor, All Local Communities (sampling at their respective workplaces) - Interview with local contractors and local communities (in Estate Office) 	Faisal Sandra Sandra Ebnu Ebnu Faisal/Sandra/Ebnu Faisal/Sandra/Ebnu
13.00 – 14.00	Break and Lunch.	Auditor Team
14.00 – 16.30	Field Observation Verification & Completion of Check List in Estate	Auditor Team
Wednesday, 5 February 2020		

DATE	2 – 7 February 2020	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 13.00	Document Audit, Field Observation, and stakeholder consultation of Tembangau 5 <ul style="list-style-type: none"> Observation of Agronomy Aspect : Harvesting, Manuring, Pesticides Application, IPM, EFB Application, Legal Demarcation Aspect : Inspection of Legal Boundary Stones, Community Buffer Area/Enclava Conservation area and HCV (if any) Observation of Workers Facilities : Housing, School, Worship Place. Observation of Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management. 	Faisal Sandra Sandra Ebnu Ebnu
13.00 – 14.00	Break and Lunch.	Faisal/Sandra/Ebnu
14.00 – 16.30	Field Observation Verification & Completion of Check List in Estate	Auditor Team Auditor Team
Thursday, 6 February 2020		
08.00 – 13.00	Document Audit, Field Observation, and stakeholder consultation of Tembangau 6 <ul style="list-style-type: none"> Observation of Agronomy Aspect : Harvesting, Manuring, Pesticides Application, IPM, EFB Application, Legal Demarcation Aspect : Inspection of Legal Boundary Stones, Community Buffer Area/Enclava Conservation area and HCV (if any) Observation of Workers Facilities : Housing, School, Worship Place. Observation of Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management. 	Faisal Sandra Sandra Ebnu Ebnu
13.00 – 14.00	Break and Lunch.	Faisal/Sandra/Ebnu
14.00 – 16.30	Field Observation Verification & Completion of Check List in Estate	Faisal/Sandra/Ebnu Auditor Team Auditor Team
Friday, 7 February 2020		
09.00 – 11.00	Closing meeting Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)	Auditor Team
12.00 – 16.00	Travelling from Site to KLIA	Auditor Team

DATE	2 – 7 February 2020	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
18.00 –	Travelling from KLIA to Jakarta	Faisal, Sandra