

RSPO – 3RD Annual Surveillance Assessment

FELDA Global Ventures Plantation (M) Sdn. Bhd
Head Office: PSQM Department, Level 20, Menara Felda Platinum Park, No. 11, Persiaran KLCC, 50088 Kuala Lumpur Malaysia.
Certification Unit: Jengka 18 (Seroja) Palm Oil Mill Bandar Tun Abdul Razak Jengka, 26400 Bandar Pusat Jengka, Pahang, Malaysia.

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Section 1 Scope of the Annual Surveillance Assessment

1. Company Details			
RSPO Membership Number	1-0013-04-000-00	Date	Member since 17/10/2004
Company Name	Felda Global Ventures Sdn Bhd		
Head Office Address	PSQM Department, Level 20, Menara Felda Platinum Park, No. 11, Persiaran KLCC, 50088 Kuala Lumpur Malaysia.		
Mill Address	KKS Jengka 18 (Seroja) - 26400 Bandar Tun Abdul Razak Jengka, Pahang, Malaysia.		
Subsidiary of (if applicable)	N/A		
Contact Name	Mr. Anthonius P. Sani (Head Office) Mr. Ahmad Fadzli Bin Mohammed (Mill Manager)		
Website	www.feldaglobal.com	E-mail	k.seroja@feldaglobal.com anthonius.s@feldaglobal.com
Telephone	6094850300 (Mill) 60328590000 (Head Office)	Facsimile	60328591999 (Head Office)

2. RSPO Certification Information			
Certificate Number	SPO 606899	Original Certificate Issued Date	16 January 2013
		Expiry Date	15 January 2018
Scope of Certification	Production of Crude Palm oil and Palm Kernel from Jengka 18 (Seroja) Palm Oil Mill supply bases as follows; Jengka 15, Jengka 16, Jengka 17, Jengka 18, Jengka 19, Jengka 20, Kg. Awak, Sg. Nerek.		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
AR 4047	ISO 9001:2008	SIRIM QAS International	22 June 2018
ER 0361	ISO 14001:2004	SIRIM QAS International	22 June 2018
SR 0152	ISO 18001:2007	SIRIM QAS International	22 June 2018

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Jengka 18 (Seroja) Mill	Pejabat FPI Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 33' 54"	3° 35' 42"
Jengka 15	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 32' 42"	3° 42' 4"

Jengka 16	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 32' 8"	3° 41' 38"
Jengka 17	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 33' 20"	3° 38' 12"
Jengka 18	Pejabat Wilayah Jengka , Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 33' 49"	3° 35' 56"
Jengka 19	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 31' 26"	3° 34' 12"
Jengka 20	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 31' 16"	3° 38' 57"
Sg. Nerek	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 30' 14"	3° 31' 58"
Kg. Awah	Pejabat Wilayah Jengka, Bandar Tun Abdul Razak Jengka, 26400 Pahang.	102° 30' 43"	3° 28' 51"

4. Description of Certified Supply Base

Estate	Mature (ha)	Immature (ha)	Total Planted Area (ha)	Infrastructure & Other (ha)	Total Hectareage	% of Planted
Jengka 15	1,574.84	0	1,574.84	174.98	1,749.82	90.00
Jengka 16	1,708.99	0	1,708.99	189.88	1,898.87	90.00
Jengka 17	1,662.10	0	1,662.10	184.64	1,846.74	90.00
Jengka 18	1,965.38	0	1,965.38	2,18.67	2,184.05	89.99
Jengka 19	2,417.34	0	2,417.34	268.59	2,685.93	90.00
Jengka 20	1,721.14	157.04	1,878.18	208.86	2,087.04	89.99
Sg. Nerek	955.23	0	955.23	106.14	1,061.37	89.99
Kg. Awah	526.24	0	526.24	58.47	584.71	90.00
TOTAL	12,531.26	157.04	12,688.30	1,410.23	14,098.53	89.99

5. Plantings & Cycle

Estate	Age (Years) & Ha.					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (Year 2015)	Actual (Year 2015)	Forecast (Year 2016)
Jengka 15	0	0	1,574.84	0	0	41,290	32,955	38,509
Jengka 16	0	1,708.99	0	0	0	28,685	30,232	28,251
Jengka 17	0	0	1,662.10	0	0	39,450	36,091	41,226
Jengka 18	0	0	1,965.38	0	0	47,413	55,969	49,421
Jengka 19	0	0	2,417.34	0	0	44,588	49,127	69,319
Jengka 20	157.04	1,721.14	0	0	0	34,675	30,705	41,058
Sg. Nerek	0	0	955.23	0	0	21,268	19,506	19,216
Kg. Awah*	0	0	0	0	526.24	11,572	686	0*
TOTAL	157.04	3,430.13	8,574.89	0	526.24	268,941	255,271	287,000

*Note: No forecast for Kg. Awah due to replanting in next year.

6. Certified Tonnage									
Mill	Estimated (2015)			Actual (2015)			Forecast (2016)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Jengka 18 (Seroja) Mill	268,941	55,965	14,316	255,271	54,041	13,657	287,000	61,562	15,642

7. Non-Certified Tonnage									
Non-Certified Suppliers	Estimated (Year 2015)			Actual (Year 2015)			Forecast (Year 2016)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Independent Suppliers*	8,297	1,756	444	6,914	1,464	370	5,740	1,205	310

Note: *Production from Independent FFB suppliers are excluded in the Certification.

Section 2 Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd
(Accreditation Certificate No. RSPO- ACC- 019)
B-08-01(East), Level 8,
Block B, PJ8, No. 23
Jalan Barat, Seksyen 8,
46050 Petaling Jaya, Selangor, Malaysia.
Fax: +603-7960 5801
Senniah Appalasamy: Senniah.Appalasamy@bsigroup.com
www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is RSPO Accredited (RSPO-ACC-19) since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Jakarta, Indonesia, Singapore, Bangkok and Australia which involve in RSPO Certification Program.

Assessment Methodology, Programme and Site Visits

The on-site assessment was conducted from 3 - 5 November 2015. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates (Jengka 15, Jengka 16 and Jengka 20). A range of environmental and social factors were covered. These included consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, review of documentation and monitoring data. RSPO P&C MYNI-2014 was used as Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment.

Smallholders whom were managing the farm on their own were sampled in all three operating units visited (i.e: JK15 – 13 smallholders, JK16 – 9 smallholders and JK20 – 12 smallholders). The sampling was based on RSPO sampling methodology. The findings were incorporated in Appendix A of this report.

The Major and minor Nonconformities that were assigned during the second annual surveillance audit which was closed during the last assessment was followed up to ensure it is remaining closed. Previous nonconformities remains closed the assessment findings are detailed in Section 3.3.

This summary report is structured to provide detail of the assessment. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This summary report was reviewed by BSI internal certification reviewer prior to certification decision.

The following table would be used to identify the locations to be audited each year in the 5 year cycle

1. Assessment Program					
Name (Mill / Supply Base)	Year 1 (IAV)	Year 2 (ASA1)	Year 3 (ASA2)	Year 4 (ASA3)	Year 5 (ASA4)
Jengka 18 (Seroja) Palm Oil Mill	√	√	√	√	√
Jengka 15		√		√	
Jengka 16	√			√	
Jengka 17		√			√
Jengka 18	√		√		
Jengka 19			√		
Jengka 20	√			√	
Sg. Nerek		√			√
Kg. Awah			√		√

Tentative Date of Next Visit: November 1, 2016

Total No. of Mandays: 13.5

BSI Assessment Team:**Muhammad Haris B. Abdullah – Lead Assessor**

He holds Master in Business Administration from the University Utara Malaysia and Bachelor of Business Administration (Hons) Majored in Human Resource Development from the Open University Malaysia. He has more than 3 years working experience in oil palm plantation and conducting social impact assessments of agriculture, agriculture best practices, and environmental impact assessment and workers welfare. He completed the RSPO Lead Auditor Training in April 2013 and passed the course. He is also passed the ISO 14001, ISO 9001, OHSAS 18001 Lead Auditor Training Courses and qualified as EICC auditor. He has completed International Sustainable and Carbon Certification (ISCC) Lead Auditor Training Courses. Recently he has attended the RSPO P&C Social and Labour Standards and the Mechanics of Social Auditing Workshop on 17 – 19 September in Bangkok, Thailand. He had assisted with conducting audits of oil palm plantation for more than 7 companies against the RSPO P&C in Indonesia and in Malaysia for the past 4 years. During this assessment, he assessed on the aspect of environment, Safety and Health, Legal, Social and community engagements, Stakeholders consultation, and workers welfare. He is able to speak and understand Bahasa Malaysia, English, Tamil and Bahasa Indonesia.

Hafriazhar Mohd Mokhtar – Team member

Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea and Solomon Islands. During assessment, he covered the mill and estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Kelvin Lim Kok Wei – Team member

Kelvin Lim Kok Wei is a fulltime employee with BSI Services Malaysia. He graduated from University Tunku Abdul Rahman, Malaysia. He attended internal RSPO training in May 2014. He has completed ISO 9001:2008 Quality Management System Lead Auditor training in February 2014 and MSPO training on 14 March 2014. Currently he is an ISO 9001:2008 and Medical Device auditor with BSI. He has involved in MSPO audits since May 2014 covering legal and social aspects. Recently he is involved as Social Auditor during the RSPO Assessment to assess the social aspects and legal issues. During this assessment, he assessed on the legal aspects, Social and community engagements, Stakeholders consultation, and workers welfare.

Accompanying Persons: - Nil -

Section 3 Assessment Findings

3.1 Details of audit results are provided in the following Appendix:

- RSPO P&C MYNI-2014 Checklist – Summary report of the Assessment - Appendix A
- FELDA Time Bound Plan - Appendix B:
- RSPO Supply Chain Certification Checklist – Appendix F

3.2 Progress against Time Bound Plan

FELDA Time Bound Plan (TBP) is included as Appendix B. FelDa is operating 70 palm oil mills and has a time bound Plan to certify all the palm oil mills and supply base by 2015/2016. 51 mills already certified. FELDA is implementing a programme to achieve RSPO Certified Sustainable Palm Oil for all of its operation in Malaysia. FELDA is a RSPO member (Membership number: 1-0013- 04-000-00) since October 2004. On the basis of information provided by FELDA and that collected at the time of the audit, the Audit Team has concluded that there are no significant land conflicts, no replacement of primary forest or any area containing HCVs since November 2005, no labour disputes that are not being resolved through an agreed process and no evidence of noncompliance with the law at any of the noncertified holdings. Wall Street Journal published an article on migrant worker abuses in the FELDA oil palm plantation on 26 July 2015. During the latest complaints panel meeting dated 16 November 2015, the committee has decided that RSPO will conduct an integrity audit against Malaysian industries. There were another complaint raised by local community at Lahad Datu, Sabah on 16 February 2015. According to the Enquiry National Hak Tanah document 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. 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. FelDa enclosed 916 acres of the said land and gave it back to the community. The community planted fruits and other crops on the land. A police report has been made by the community and that is the source of the complaint. During the latest complaints panel meeting dated 16 November 2015, the committee has decided that the parties are meeting the Land and Survey Office of Sabah to seek clarifications in late November 2015. Therefore, the Complaints Panel shall wait for the outcome of the meeting before any decision is made.

Furthermore, FELDA has undertaken assessment to assess the requirement and compliance to the partial certification dated 6 November 2015 and provided positive assurance.

There is no lapse in implementing the time bound plan. There were positive changes made to the time bound plan to complete the certification by 2015/2016 compare with the original plan of 2017 which is still maintained. This proactive measure is to ensure 100% certification by 2017 for their own mills. This is a proactive approach from FelDa to show the commitment towards RSPO certification.

BSI has continued involvement with assessments of FELDA Management Units during the 2015 period. BSI is also communicating with other Certification Bodies that auditing FELDA's other operating units to identify any noncompliance with rules of partial certification as per requirement in RSPO Certification System. There are two new planting carried out at Indonesia and complied with the RSPO NPP process. No new land acquired in 2015. Pontian United Plantations in Kinabatangan acquired in 2013 and now included in the time bound plan. Asian Plantation Limited in Miri which was acquired in November 2014 will be included in the time bound plan beginning 2016. FELDA consistently has kept BSI informed of any emerging issues and claims made against it. At the time of preparation of this Report, BSI is not aware of any new issues involving:

- a. Any unresolved significant land disputes;
 - b. Any replacement of primary forest or loss of HCVs;
 - c. Any labour disputes that are not being resolved through an agreed process;
 - d. Any evidence of noncompliance with any law at any of the landholdings.
- BSI considers that FELDA complies with the RSPO requirements for Partial Certification rules.

Details of the status of the Time Bound Plan as submitted by FELDA are in Appendix B.

3.3 Details of findings

The nonconformities are listed below. The summary of the findings by criteria is listed in Appendix A.

During this third annual surveillance assessment, there were four Major and three Minor nonconformities raised. Jengka 18 (Seroja) Palm Oil Mill and Supply Base Estates submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformities were reviewed by the BSI audit team and accepted. The implementation of the corrective action plans to address the minor nonconformities will be followed up during the next surveillance assessment.

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160M1	Requirements: 5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.	Major
	Evidence of Nonconformity: All operating units: Disposal of domestic waste at the foreign workers' hostel (Asrama TKI) was not properly managed. Noticed domestic wastes been dumped in an open space behind the workers' hostel. This nonconformity was already raised during the last assessment. The operating units have not addressed the issue appropriately. As per the RSPO requirement, the minor nonconformity was upgraded to major nonconformity.	
	Statement of Nonconformity: Implementation of waste management and disposal plan was not effective.	
	Closeout evidence: The management units have identified that newly arrived foreign workers whom still not adapt to the local culture and fully understand the procedures were the root cause. The management has already provided designated rubbish bins and appointed contractor to collect the rubbish at workers' hostel. Immediate clearance of the area together with the workers "Gotong -Royong" has been done. Refresher training dated 7/12/15 had been conducted to re-brief the workers on proper disposal of domestic waste. Photo evidences were submitted to the audit team. The NC was closed on 13/12/2015.	

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Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160M2	Requirements: 4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored.	Major
	Evidence of Nonconformity: Jengka 15 & Jengka 16: Planting of beneficial plant and monitoring of barn owl occupancy were not implemented as per Felda Agriculture Manual (Manual Ladang Sawit Lestari) MLSL (Ed.2) – Sec.2 (20.0) item No.: 20.6. and Sec.3 (11.0).	
	Statement of Nonconformity: Implementation of Integrated Pest Management (IPM) plans was not effective	
	Closeout evidence: The management units have identified that records of beneficial plants planting was not done despite it were implemented including installation of barn owl boxes but it was. The management has immediately conducted re-census of bag worm, barn owl occupancy rate, and identify planting of beneficial plants using form ML-1A/L4-F15 (0) on 18/11/2015. The result shows there were no bag worm outbreak and 58% of barn owl occupancy. Refresher training dated 10/11/15 had been conducted to re-brief the workers and staff on the procedures. Records were submitted to the audit team. The NC was closed on 13/12/2015.	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160M3	Requirements: 5.3.2 All chemicals and their containers shall be disposed of responsibly.	Major
	Evidence of Nonconformity: Jengka 15, Jengka 16 and Jengka 20: Visit to the settler's farms who managing the farm on their own (urus sendiri) found that the empty chemical containers were disposed (scattered) on the ground. Further verification found there were no disposal records.	
	Statement of Nonconformity: Empty chemical containers were not responsibly disposed.	
	Closeout evidence: The management units have identified that settlers who manage their farm on their own were purchasing and applying agrochemical on their own without the management unit's knowledge. Refresher training dated 17/11/15 had been conducted to re-brief the settlers who manage their farm on their own on the record keeping and proper disposal of chemical containers. Records were submitted to the audit team. The settlers also were instructed by the scheme manager to remove all the existing chemical containers from the field. The NC was closed on 13/12/2015.	

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Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160M4	Requirements: 6.1.4 The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.	Major
	Evidence of Nonconformity: Jengka 16 and Jengka 20: During the document audit, it was found that the plans for avoidance or mitigation of negative impacts and promotion of the positive ones were not reviewed since 2012. This issue was raised as Major nonconformity during last assessment. The implementation of the corrective action plan was found to be not effective.	
	Statement of Nonconformity: A plan to mitigate negative social impacts identified was not reviewed.	
	Closeout evidence: The management units have identified that Social Impact Assessment survey has been conducted but the action plan was not updated. Both operating units have updated the plans for avoidance or mitigation of negative impacts and promotion of the positive ones on 20/11/2015 based on the survey results. The updated plan was submitted to the audit team. The management units also have appointed the social development assistants as person in charge to update the plans in the future. The NC was closed on 13/12/2015.	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160N1	Requirements: 4.5.2 Training of those involved in IPM implementation shall be demonstrated.	Minor
	Evidence of Nonconformity: Jengka 15, Jengka 16 & Jengka 20: There were no IPM related training record was available. Furthermore, interview with settlers managing the farm on their own (urus sendiri) found that they were unable to demonstrate the IPM related knowledge.	
	Statement of Nonconformity: Training of those involved in IPM was not demonstrated.	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160N2	Requirements: 4.6.9 Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate	Minor

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	information materials.	
	Evidence of Nonconformity: Jengka 15, Jengka 16 & Jengka 20: Field visit and interview with settlers managing the farm on their own (urus sendiri) found that they were lack of skills and unable to demonstrate the safe handling of pesticide.	
	Statement of Nonconformity: Knowledge and skills on pesticide handling was not maintained.	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1257160N3	<p>Requirements: 5.2.4 Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. 	Minor
	Evidence of Nonconformity: Jengka 15 & Jengka 16: Interview with the field staffs and document review found that there was no monitoring of the status of adjacent HCV (Jengka reserve forest) as per HCV management plan.	
	Statement of Nonconformity: Monitoring of the status of HCV was not documented.	

Positive Findings	
PF #	Description
1.	Safety signs are continuously maintained well and clearly marked with walkways.
2.	The palm oil mill has maximized the use of renewable energy by consuming shell and fibre produced internally.
3.	The Mill is in the process of constructing Bio-gas Plant to capture the methane gas.

Issues raised by Stakeholders

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Jengka 18 Seroja Certification Unit's environmental and social performance, legal and any known dispute issues. Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings. Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.

IS #	Description
1	Issues Settlers Leaders: Confirm that the management has maintained good relationship and provide various assistances to the settler.
	Management Responses Management assists wherever possible.
	Audit Team Findings No other issues.
2	Issues Foreign workers representative: No issue regarding pay and condition of work. The representative highlighted that they are treated equally. All foreign workers have access to all facilities similar to local workers.
	Management Responses The management treat all employees equally and no discrimination.
	Audit Team Findings No disputes were highlighted by foreign workers interviewed during field visit.
3	Issues School teacher: It was re-confirmed that the management always support school activities. The relationship is good. No other issues.
	Management Responses Management assists wherever possible.
	Audit Team Findings No other issues.
4	Issues Contractors: Contractors confirm payment is prompt as per agreed contract.
	Management Responses Payment is made as per the agreed terms.
	Audit Team Findings No other issues.
5	Issues DOE & DOSH: No issue related to legal compliance.
	Management Responses Management is committed towards the legal compliances.
	Audit Team Findings No other issues.

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1135928N1	Requirements: 2.1.3: A mechanism for ensuring compliance shall be implemented.	Minor
	Evidence of Nonconformity: All operating Units: The register of legal and other requirement list was not being updated and reviewed to ensuring the compliance of the legal requirement.	

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Statement of Nonconformity: The mechanism for ensuring the legal compliance was not implemented accordingly.	
Action / CAP Provided during ASA2: Updating of the changes of the legal requirement list is undertaken by the head office. The implementation will be followed up during next surveillance.	
Status: The Register of legal and other requirements has been updated by head office level and reviewed on yearly basis by individual operating unit for monitoring purpose. Seroja POM has reviewed the list on 14/4/15. The minor NC was closed on 5/11/2015.	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1135928N2	Requirements: 2.1.4: A system for tracking any changes in the law shall be implemented.	Minor
	Evidence of Nonconformity: All operating units: List of all applicable laws not updated and the following legal act are not listed: 1) Minimum Wages Order 2012 2) Minimum Retirement Age Act 2012 3) Environmental Quality (Clean Air) Regulation 2014	
	Statement of Nonconformity: The register of legal and other requirement (Senarai Undang- Undang & Keperluan yang berkaitan RSPO) has been revised but latest Malaysia legal requirements was not updated and included in the list.	
	Action / CAP Provided during ASA2: Updating of the changes of the legal requirement list is undertaken by the head office. The implementation will be followed up during next surveillance.	
	Status: The Register of legal and other requirements has been updated by head office level and reviewed on yearly basis by individual operating unit for monitoring purpose. Latest update was on 14/4/2015. The updated list has included the latest legal requirement such as Minimum Wages Order 2012, Minimum Retirement Age Act 2012 & Environmental Quality (Clean Air) Regulation 2014. The minor NC was closed on 5/11/2015.	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1135928N3	Requirements: 4.7.5: Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall	Minor

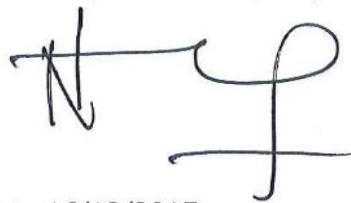

	<p>be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p>	
	<p>Evidence of Nonconformity: Kampung Awah: The first aid box was not available at the nursery and further interviewed with the mandore confirmed that no first aid box available with him during the visit at the nursery. Jengka 18: The first aid equipment in the first aid box at the chemical mixing area was not according to the list in the first aid box and further investigation found that the Dettol in the first aid box has expired. Apart from that, based on interviewed with the mandore of chemical spraying, the first aid equipment was not provided to him when conducting spraying in the field. Eye wash system at the chemical mixing area was not available.</p>	
	<p>Statement of Nonconformity: The first aid equipment was not available at the worksites.</p>	
	<p>Action / CAP Provided during ASA2: The management will purchase additional first aid boxes and provide to all the mandores and replace any expired medicines in the current boxes. Monitoring of medicine expiry dates will be done to avoid any recurrence of expiry. The implementation will be followed up during next surveillance.</p>	
	<p>Status: The management had purchased additional first aid boxes and provide to all the mandores and replaced any expired medicines in the previous boxes. Monitoring of medicine expiry dates is being done by assistant mangers to avoid any recurrence of expiry. Re-fresher training dated 24/9/2015 to the mandores was also conducted to ensure they know how to use it. The minor NC was closed on 5/11/2015.</p>	

Non-Conformity		
NCR No:	Description	Category (Major / Minor)
1135928N4	<p>Requirements: 5.3.3: A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>Evidence of Nonconformity: JK 19: The domestic waste is disposed on the surface. During heavy rain the rainfall runoff from the domestic waste on the surface which is contaminated/polluted is flowing to the nearby the ravine. A plan to mitigate the surface runoff was not available.</p> <p>Statement of Nonconformity: The domestic waste disposed adjacent to ravine.</p> <p>Action / CAP Provided during ASA2: The management will excavate hole at landfill and build earth bund to avoid surface runoff. The implementation will be followed up during next surveillance.</p> <p>Status: Implementation of pollution prevention plan was not effective according to waste management plan for Scheduled Waste handling. This minor NC is upgraded to major as per RSPO Certification System. Refer to NC No.: 1257160M1.</p>	Minor

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
A605205/1	Major	15/07/2011	Closed on 19/07/2012
A605205/2	Minor	15/07/2011	Closed on 1/11/2013
A605205/3	Minor	15/07/2011	Upgraded to Major during ASA1. See ref. 983514M11
983514M2	Major	1/11/2013	Closed on 27/12/2013
983514M7	Major	1/11/2013	Closed on 27/12/2013
983514M11	Major	1/11/2013	Closed on 27/12/2013
983514N3	Minor	1/11/2013	Closed on 16/12/2014
983514N4	Minor	1/11/2013	Closed on 16/12/2014
983514N5	Minor	1/11/2013	Closed on 16/12/2014
983514N8	Minor	1/11/2013	Closed on 16/12/2014
1135928M1	Major	19/12/2014	Closed on 14/02/2015
1135928M2	Major	19/12/2014	Closed on 14/02/2015
1135928M3	Major	19/12/2014	Closed on 14/02/2015
1135928M4	Major	19/12/2014	Closed on 14/02/2015
1135928M5	Major	19/12/2014	Closed on 14/02/2015
1135928N1	Minor	19/12/2014	Closed on 5/11/2015
1135928N2	Minor	19/12/2014	Closed on 5/11/2015
1135928N3	Minor	19/12/2014	Closed on 5/11/2015
1135928N4	Minor	19/12/2014	Upgraded to Major during ASA3. See ref. 1257160M1
1257160M1	Major	5/11/2015	Closed on 13/12/2015
1257160M2	Major	5/11/2015	Closed on 13/12/2015
1257160M3	Major	5/11/2015	Closed on 13/12/2015
1257160M4	Major	5/11/2015	Closed on 13/12/2015
1257160N1	Minor	5/11/2015	"open"
1257160N2	Minor	5/11/2015	"open"
1257160N3	Minor	5/11/2015	"open"

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<p>Assessment Conclusion and Recommendation: Based on the findings during the assessment, Jengka 18 Seroja Palm Oil Mill Certification Unit and supply base complies with the RSPO P&C MYNI- 2014, and the RSPO Supply Chain Certification Standard (Nov 2014) for CPO Mill. It is recommended that the certification of Jengka 18 Seroja Palm Oil Mill Certification Unit is approved and continued.</p>	
<p>Acknowledgement of Assessment Findings Report Prepared by</p>	
<p>Name: Norazam Abdul Hameed</p>	<p>Name: Muhammad Haris Abdullah</p>
<p>Company name: FGV Plantation (M) Sdn. Bhd</p>	<p>Company name: BSI Services (M) Sdn. Bhd</p>
<p>Title: General Manager, Plantation Sustainability and Quality Management (PSQM Department)</p>	<p>Title: RSPO Lead Auditor</p>
<p>Signature:  Date:16/12/2015</p>	<p>Signature:  Date: 13/12/2015</p>

Appendix A: Summary Report of the Assessment

Criterion / Indicator	Assessment Findings	Compliance	
Principle 1: Commitment to Transparency			
Criterion 1.1:			
Growers and millers provide 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	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Jengka 18 Seroja Palm oil Mill and supply base estates have maintained the record of request and responses in the 'external request record book' and some communication record through the email which received from internal and external stakeholders. The response and action taken by the management also been recorded and maintained. Most of the request was from the FELDA Settlers which request for monthly payslip of FFB from the FELDA management.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	All operating units maintain records of information request and response under file QOHSE-FPI/L2/QOHSE-06.	Complied
Criterion 1.2:			
Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			
1.2.1	Publicly available documents shall include, but are not necessary limited to: <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). - Major compliance –	Jengka 18 Seroja operating units have maintained a list of publicly available documents that is approved by manager and can be produced upon request. Sample of documents includes the following: (1) Felda Policies and Guidelines which includes Human Rights Policy (2) Land titles (user right) (3) Safety and Health Plan (4) Hazard Identification and Risk Assessment (HIRAC) (5) Environmental Aspect and Impact Register (6) Social Impact Analysis (7) Pollution Prevention Plan (8) Details of complaints and grievances (9) Negotiation procedures (10) Continual improvement plan (11) HCV assessment report (12) RSPO Public summary report	Complied
Criteria 1.3:			
Growers and millers commit to ethical conduct in all business operations and transactions.			
1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance	Felda plantation has established policy on code of ethical conduct and integrity which covers all operations in the plantation operation. Policy displayed on the notice board and communicated to employees. Interview with employees reveal that they are aware of the policy.	Complied
Principle 2: Compliance with applicable laws and regulations			
Criterion 2.1:			
There is compliance with all applicable local, national and ratified international laws and regulations.			

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Criterion / Indicator	Assessment Findings	Compliance
2.1.1 Evidence of compliance with relevant legal requirements shall be available. - Major compliance -	<p>Compliance with legal requirements is demonstrated by internal and external audit report findings and review of documents and records on site during this assessment. The Mill and Estates maintain copies of applicable Permits and Licences. Sample of permits inspected reveal that all valid. Sample checked:</p> <p><u>Jengka 15</u> MPOB license: No. 501201802000 valid till 31 March 2016</p> <p><u>Jengka 18 Seroja POM:</u></p> <ul style="list-style-type: none"> • MPOB license: 500193804000 (validity period 1/4/2015 - 31/3/2016) for 259,200MT • AGT & AESP: No. Siri: NW-HQ-AGT-R-0622-N valid till 9/7/2017 • Chemical Exposure monitoring (USECHH Regulation 2000) dated 17/3/2015 by Occumed Consultancy & Services Sdn. Bhd. • DOE Licence: JPKKS 003223 (validity period 1/7/2015 - 30/6/2016) for 45 MT/hr and method of POME discharge is water course with BOD final discharge limit <100mg/l • Poison license: Schedule Form A NaOH permit, reg. no.: CC0107/2015, (validity period 2/3/2015 – 31/12/2015) limit of purchase (liquid NaOH) 2,000kg • Energy commission license no.: 496; serial no.: 00133795 (validity period 29/7/2015 – 28/7/2016) for installation capacity limit <3350kW • Schedule controlled item permit (Diesel) ref. no.: PPDNKK/TLOH/SK/24/96-D; serial no.: C009446 (validity period 6/2/2015 – 5/2/2016) for storage capacity of <16,200liters • Pahang government water resource usage license no.: SWUL/LPSA/62/2015 (validity period 1/1/2015 - 31/12/2015) source of water is Sungai Jengka • DOE Written Approval on Construction of Anaerobic Digester Tank for Biogas Plant Certificate no.: SPE/04/2014; ref. AS:C31/152/000/032 SK.2 JLD 3 (07) • DOE Written Approval on Construction of Flare Stack for Biogas Plant Certificate no.: CDM/02/2014; ref. no. AS:C31/152/000/032 SK.1 JLD 1 (33) • Boiler no. 3 Petra Boilers PMD reg. no.: PH PMD 262 (validity 11/5/2015 – 10/8/2016) • Sterilizer reg. no.: PMT 45666 (validity 11/5/2015 – 10/8/2016) • Air receiver Puma PMT reg. no.: PH PMT 4032 (validity 11/5/2015 – 10/8/2016) • Overhead travelling crane reg. no.: PMA 8054 (validity 11/5/2015 – 10/8/2016) • Steam Engineer JKJ 19 acknowledgement no.: 044/2006 (1st grade steam engineer) • Steam Engine Driver JKJ 18 acknowledgement no.: H/ED/82/02 (1st grade steam engine driver) • Electrical chageman A4 acknowledgement no.: PJ-T-4-B-0059-2010 (low voltage installation) no.: PJ 10705783 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	All operating units have written information on legal requirement and this information updated by the head office. The register of legal and other requirement (Senarai Undang- Undang & Keperluan yang berkaitan RSPO) is made available at operating units. E.g. Seroja POM updated on 14/04/15.	Complied
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	The written information on legal requirement is used to ensure the compliance by conducting self-evaluation.	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites.	Complied
Criterion 2.2: 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.			
2.2.1	Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	Copies of the land titles of the mill and estates were maintained and found to be in proper order. Records are available to show that the land lease comply with legal requirements and does not infringe on any legal rights that require free, prior and informed consent (FPIC). The original copies are maintained by the Corporate Head office. The legal use of the land confirmed to be for cultivation of oil palm and agricultural use. FELDA and FTP have provided evidence of legal ownership of the designated plots of smallholders land. E.g. For Jengka 16, total 414 smallholders with total 448 land titles with total 1,898.87ha of plantation land titles. <u>Jengka 15</u> Consist of 385 settlers and all the settlers already obtained their land titles (99 years lease land) and the balances are in progress. Sampled: Land title No's: 15205, 15206, 24632, 24686 and 23763. The terms are oil palm.	Complied
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	Inspection of a sample of the boundary stones at Jengka 15, Jengka 16 and Jengka 20 confirmed that steel pipes have been installed beside the concrete boundary stones and were continuously maintained visibly. Samples were observed at adjacent of Jengka reserve forest.	Complied
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	This clause is not applicable as FELDA did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	This clause is not applicable as FELDA did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	This clause is not applicable as Felda did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	This clause is not applicable as Felda did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.			
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).. - Major compliance -	This clause is not applicable as Felda did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	This clause is not applicable as FelDa did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable
2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	This clause is not applicable as FelDa did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	This clause is not applicable as FelDa did not acquire land from landowners, but leased it directly from the government or just managing settlers land.	Not Applicable

Principle 3: Commitment to long-term economic and financial viability

Criterion 3.1:

There is an implemented management plan that aims to achieve long-term economic and financial viability.

3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	FELDA has continued its commitment to long term sustainability and improvements through a capital expenditure programme (5 years Business Plan 2016 – 2020). Jengka 18 (Seroja) Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year.	Complied
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	There will be no replanting for next five years at all three operating units visited as the oldest palms are 13 years old.	Complied

Principle 4: Use of appropriate best practices by growers and millers

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.			
4.1.1	Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -	Jengka 18 Seroja Mill and estates operates in accordance with the FELDA management systems and standard operating procedures. i.e: Mill: Palm Oil Mill Operation Manual (08/04/2010 and amendments) covering every station from the security gate for reception of FFB until the delivery of processed oil and POME management. FPISB Procedure Manuals: FPI/L2/QOHSE-1.0-25.0; Issue date: 2/1/2008; Rev. 11; dated 15/10/2015. Estates: Sustainable Oil Palm Estate Operation Manual issued by FELDA Agricultural Services Sdn Bhd (FASSB) on 01/06/2012.	Complied
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	The practices consistently monitored by mill and plantation advisors and recommendations for improvements are given to maintain the sustainable practices. Mill advisor, agriculture officers and Operation Manager visits the operating units to ensure implementation of procedures are consistent. <u>Mill:</u> Mill advisor visited the mill on 19-20 May 2015. DOE visit: 22/9/2015 DOSH visit: 22/6/2015 <u>Jengka 15</u> DOSH visit: 16/8/2015 Agronomy visit: 17/6/2015 <u>Jengka 20</u> DOSH visit: 29/10/2015 Agronomy visit: 21/4/2015	Complied
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	Internal audit has been conducted on the 13/10/15 by sustainability department executive who covered all the scope and requirement of RSPO P&C and SCCS for the palm oil mill and supply base. The management has responded to all the non-compliance raised during the internal audit.	Complied
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance –	Jengka 18 (Seroja) mill maintains a daily record of all FFB received. The records show the origin, weight, transporters details and etc of the FFB received.	Complied
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	Good agricultural practice (GAP) for minimization of soil erosion and maintenance of soil fertility is maintained via the frond stacking and fertilizer application as per the recommendation by the Agronomist from FELDA Agricultural Services Sdn. Bhd. These had been verified through the records for fertilizer application and observation during field visit.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	Fertilizers are applied as per agronomist recommendation. Record shows application date, filed number, dosage applied per palm, type of fertilizer and number of applicators.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	The FELDA R&D Department located at "Tun Razak Agriculture research Centre" (PPPTR) has maintained an active interest in the management of soil fertility and optimisation of FFB yields and it also monitors the changes in nutrient status through periodic soil and leaf sampling.	Complied
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	All palm by-products including fronds, EFB, and expeller are recycled. EFB is applied at the rate of 40mt/ha on selected area close to the mill.	Complied
Criterion 4.3: Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Landscapes of all three estates visited are mostly flat and undulating. However, FELDA has a policy on slope planting and this is being implemented during replanting.	Complied
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	The main roads leading to the estates are maintained by the Government Department. The estates roads are in good overall condition. Road maintenance programme verified to be established and implemented.	Complied
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.1</p> <p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p><u>Mill:</u> Pelan Pengurusan Air Tahun 2015 updated as of 18/5/2015 sighted available established as per procedure FPI/L2/QOHSE-15.0. The plan consists of the management of quality and availability of water which inclusive of identifying source of water used, efficiency of water usage, identifying of renewable water source and impact to water catchment area and stakeholders. Implementation has been evidence with availability of records on the monitoring of water usage, monitoring of rainfall and water shortage contingency plan.</p> <p><u>Jengka 15, 16 & 20:</u> Involved the procedure on water sampling (doc. no. ML-1A/L2-PR6(0) dated Mar 2012. The plan documented in file P4 Bil.: 10/2010 C.4.4 Kualiti & Kebolehdapatan Air (FAS-RSPO L1/K4.4/4.4.1). The water management plan involved quality and availability established for both plantation field and housing/office area. The contingency plan for availability of water in housing/office area are as following:</p> <ul style="list-style-type: none"> • Reporting water supply shortage to nearest supplier (Water Supply Department-WSD) • Providing sufficient water storage tank • Asking WSD to deliver water tank for housing/office use <p>Water quality monitoring was done based on water sampling procedure – doc. no. ML-1A/L2-PR6(0) dated March 2012 established. However no any natural waterways running through all three estates, hence no monitoring has been conducted. Rainfall has been monitored; average total rainfall for Jengka 20 was recorded at 1569.10mm in 2014 while from Jan to Oct 2015 recorded at 555.84mm.</p>	<p>Complied</p>
<p>4.4.2</p> <p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -</p>	<p>Based on “Polisi Perlindungan Tanah Curam dan Rezab Sungai” (ML-1A/L2-P03(0) dated March 2012, established river buffer zones as per MPOB’s guideline:</p> <ol style="list-style-type: none"> i) River width > 40m; river buffer = 50m ii) River width 20 - 40m; river buffer = 40m iii) River width 10 -20m; river buffer = 20m iv) River width 5 - 10m; river buffer = 10m v) River width < 5m; river buffer = 5m <p>Buffer zones had been maintained on both sides of rivers/streams in the estates as verified during on-site field inspection. There was no evidence of spraying around palms marked as boundary for the buffer zones. There was also no construction of bunds/ weirs/dams across the main rivers or waterways passing through the estates.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	<u>Mill:</u> JK18POM implemented outgoing water monitoring, for the drain outlet from the mill established as per procedure FPI/L2/QOHSE – 1.0 (C). Sampled analysis report done by Makmal Analisa Bukit Goh, Felda Plantation Industries Sdn. Bhd. for water sample certificate of analysis no.: 3139/2015, lab sample no. 42/2015/1 AF dated 21/10/2015 for sample taken on 13/10/2015 sighted available. Analysis was done against Acceptable Conditions For Discharge of Industrial or Mixed Effluent of Standards A and B. Parameters analysed were pH, BOD, TSS, AN, O&G and TN. Report shown results for all parameters including BOD was in compliance against the standard tested.	Complied
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	J18POM monitored its water consumption on monthly basis for the source of water supply for its mill process usage. The mill has a specific target of water consumption at 1.10m ³ /mt FFB processed. Average water consumed for the period from Jan to December 2014 was as following: 1) 1.37m ³ /mt FFB processed Current water usage to date for the period from Jan to Oct 2015 was as following: 2) 1.35m ³ /mt FFB processed	Complied
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	FELDA has developed IPM Plan which includes the planting of beneficial plants and control of damage by rodents. However, at Jengka 15 and Jengka 16, planting of beneficial plant and monitoring of barn owl occupancy were not implemented as per Felda Agriculture Manual (Manual Ladang Sawit Lestari) MLSL (Ed.2) – Sec.2 (20.0) item No.: 20.6. and Sec.3 (11.0). Major nonconformity was raised.	Major nonconformity
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	<u>Jengka 15, Jengka 16 and Jengka 20:</u> There were no IPM related training record was available. Furthermore, interview with smallholders manage the farm on their own were unable to demonstrate the IPM related knowledge. Minor nonconformity was raised.	Minor nonconformity
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment			
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	Manual Lestari 1A – Doc. No. ML-1A/L3-GP 1 (0) dated Mar 2012 Guidance Procedure for written justification in the use of agrochemicals was reviewed and found acceptable. The operating units have an Approved List of Pesticides registered under the Pesticide Board of Malaysia. The types of chemicals used are as follows: (1) Glyphosate isopropyl amine (41% a.i.) - Ecomax (2) Triclopyr butoxy ethyl ester (32.1% a.i.) - Garlon (3) Glufosinate ammonium (13.5% a.i.) – Basta 15	Complied
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the operating units for a minimum of 5 years (2010 to 2015). Verified that records of monitoring were satisfactorily.	Complied

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<p>4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -</p>	<p>It is the policy to minimize the use of pesticides in accordance with IPM plan. No prophylactic use of pesticides had been carried out at the estates for the period concerned. The pesticide reduction program is monitored on usage per hectare basis. Overall, it has shown a slight decline.</p>	Complied
<p>4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -</p>	<p>It is the policy of the FELDA Group to reduce the use of paraquat gradually and achieve zero usage. The usage was limited to young palm fields. All three visited sites were stopped usage of paraquat since March 2015. There were no other Class 1A or 1B was in use or kept by the visited estates.</p>	Complied
<p>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 (see Criterion 4.7). - Major compliance -</p>	<p>All pesticide operators had been given training on the handling and application of the pesticides. Appropriate safety and application equipment had been provided and used by the operators. All precautions attached to the products had been observed, applied, and understood by the workers. Programme and training records had been verified to be satisfactory.</p>	Complied
<p>4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -</p>	<p>Storage of pesticides found to be kept under lock and key and its use in accordance with the Occupational Safety and Health Laws and Regulation 9 of the Pesticides Act 1974. Emergency shower and eye wash are available near the pesticides store in case of accidents. Material Safety Data Sheets (MSDS) are available in the store. The MSDS are in English and Bahasa Malaysia (understood by the workers). E.g. Garlon 250 & Basta. No class 1 pesticides used.</p>	Complied
<p>4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -</p>	<p>Pesticides had been applied using the Best Management Practices that minimize risk and impacts. The pesticide operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.</p>	Complied
<p>4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -</p>	<p>It is the policy of the company not to carry out any aerial application of pesticides. This policy has been followed by the operating units.</p>	Complied
<p>4.6.9 Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -</p>	<p>Training records and evaluation of pesticide handling workers were kept by FTP. However, document review and interview with smallholders managing the farm on their own found that they were lack of skills and unable to demonstrate the safe handling of pesticide. Minor nonconformity was raised.</p>	Minor nonconformity

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4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	The empty container will be rinse 3 times and punch hole before send to the collector that based on agriculture department.	Complied
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Estates have a programme of conducting annual medical surveillance of all pesticide operators as per CHRA. IMS Consultancy and Solution conducted CHRA on October 2013 (JKKP: HIE 127/171-2(139)). Latest medical surveillance for chemical handlers were conducted on 12 October 2015 at clinic Sulaiman by OHD Doctor (DOSH Registration Number: HQ/08/DOC/00/387) found all workers are fit for work. Interviews with the pesticides handlers and workers present were conducted during on-site field visits. Based on the feedback received and observation made, they did not display any symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pains, breathing difficulties or nail discolorations.	Complied
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	Pesticide handlers and sprayers in the estates were noted to be men only. It was verified from records, field inspections and interviews that no pregnant or breast-feeding woman had been offered work as pesticide operator.	Complied
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			
4.7.1	A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -	Occupational Safety and Health (OSH) plan in compliance with OSH Act and Factory Machinery Act was documented and implemented. OSH policy was clearly displayed at POM and in estates office. Workers and scheme smallholders had demonstrated awareness towards occupational safety and health policy. Mill & its estates established their accident reporting KPI, and incident monitoring implemented. Procedures and actions documented and implemented on the issues concerned.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.2 All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p>	<p>Risk assessment had been carried out on all operations where health and safety is an issue. Significant hazards were determined and documented in the HIRARDC analysis which included noise exposure, chemical and pesticides exposure, accident and fire outbreak. Procedures and control measures were implemented to mitigate the risks. Assessment of noise levels in the POM was conducted by DOSH which had identified the work areas with high noise levels i.e. boiler station, engine room and sterilization units were above 85 dB. Mill management have taken steps to reduce the noise levels by more frequent lubrication of machinery, reducing the exposure time to high noise and mandatory use of ear plugs and ear muffers. Annual audiometric tests/ reports conducted for all mill staff and workers dated 10/7/2015 were available and maintained. 10 workers found having hearing impairment were sent for re-test on 5/10/15 at Klinik Sulaiman and pending for the result. The employees exposed to high noise levels were interviewed. The workers are aware of the danger of hearing loss due to prolonged exposure to high noise levels. The workers are also aware of the complaints process and mechanism available. "Permit to work" system was applied at the POM. Staff and workers have been trained and certified by NIOSH for gas entry and stand-by involving work in confined space. It was verified that the mill and estates have provided the appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves, ear plugs, ear muffers) and the associated training to address safety and health issues.</p>	<p>Complied</p>
<p>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. - Minor compliance -</p>	<p>Training programme planned for year 2015 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to workers exposed to machinery and high noise levels, workers working in confined space, harvesters, pesticides operators and manurers. Training also provided on use of fire extinguishers and fire drill, awareness and understanding of MSDS/CSDS. Employees interviewed at POM confirmed to be provided with safety training relating to their work at least once a year by the qualified Safety & Health Officer and training records are available. Evaluation carried out on each training programme to determine its effectiveness.</p>	<p>Complied</p>
<p>4.7.4 The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -</p>	<p>The responsible persons are the Assistant Managers of the respective operating units. Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to be satisfactory. Mill has conducted the latest OSH meeting on 12/10/15. As for estates, last meeting was conducted on 18/9/2015.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
4.7.5	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p>	Complied
4.7.6	<p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance -</p>	Complied
4.7.7	<p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics</p> <p>- Minor compliance -</p>	Complied

Criterion 4.8:
All staff, workers, smallholders and contract workers are appropriately trained.

4.8.1	<p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>- Major compliance -</p>	Complied
4.8.2	<p>Records of training for each employee shall be maintained.</p> <p>- Minor compliance -</p>	Complied

Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

Criterion 5.1:
Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.1 An environmental impact assessment (EIA) shall be documented. - Major compliance -</p>	<p><u>Mill:</u> JK18POM has a documented Environmental Aspect and Impact Identification (EAI) which was updated on 8/11/2014 (ref. no.: FPI/L4/QOHSE-1.7 Rev. 0). The EAI developed based on its established Standard Operating Procedure on Environmental Aspects/Impacts Evaluation ref. no.: FPI/L2/QOHSE-1.0; Issue no. 2; Rev. 4; dated 15/9/2014. Significant aspect identified and impact evaluated for the mill operations was tabulated in the Significant Aspect and Impact register updated on 2/8/2014 (ref. no.: FPI/L4/QOHSE-1.8 Rev. 0) divided into mill operation stations. Mill has covered all its operation in identifying the environmental aspect and evaluating the environmental impact. Latest update of the EAI has included the operation of compost plant and effluent treatment polishing plant.</p> <p><u>Jengka 15, 16 & 20:</u> Aspect identification and impact evaluation has been documented based on the established guideline; ML 1A/L3-GP04 (0) dated March 2012.</p> <p>Jengka 15, 16 & 20 have consistently documented EIA as Pengenalpastian Aspek Dan Penilaian Impek Alam Sekitar Melalui Aktiviti Perladagangan, Bahan Buangan Dan Pencemaran, doc. Type: RSPO 2010 (Kriteria 5.1/5.3/5/6; doc. No.: 1/2014 dated 10/2/2014– Environment Aspect and Impact Identification for various activities- security work, compound, field, harvesting and collection, main entrance, pest and disease control, petrol and diesel, power station, replanting, road, schedule waste store, workshop was tabulated form no.: P5/C5.1/I5.1.1 dated 16/1/2015.</p>	<p>Complied</p>
<p>5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -</p>	<p><u>Mill:</u> There were no major changes to the identified impacts since the establishment of the documents above. Impacts such as smoke emissions, noise levels, POME and EFB management were verified at the mill.</p> <p><u>Estate:</u> HCV and other environmentally sensitive areas were documented and inspected on site. Signage on buffer and signage on the prohibited activities along all the buffer zones were found to be sufficiently placed for the operating units estates visited i.e. Jengka 15, Jengka 16 and Jengka 20.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.3</p> <p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>Mill: Monitoring plan was established based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p> <p>Among the mill environmental monitoring records available are sighted as following:</p> <ul style="list-style-type: none"> • Final discharge analysis report done by Makmal Analisa Bukit Goh, Felda Plantation Industries Sdn. Bhd. for water sample certificate of analysis no.: 2979/2015, lab sample no. 37/15 dated 5/10/2015 for sample taken on 29/9/2015 sighted available. Analysis was done against Acceptable Conditions for Discharge of Industrial or Mixed Effluent of Standards A and B. Parameters analysed were pH, BOD, TSS, AN, O&G and TN. Report shown results for all parameters including BOD was in compliance against the standard tested. • Boiler stack sampling records: Isokinetic Stack Sampling for Boiler No. 3 on 14/5/2015 by Mareff Management Sdn. Bhd. (Report ref. # Seroja-24/05/15; dated 18/5/2015) for Stack Flue Gas Boiler no. 3. Result shown the stack emissions are within limit at 0.365 g/Nm³ corrected to 12% CO₂. Latest monitoring was done on 12/10/2015 (Report ref. # Seroja-25/10/15; dated 24/10/2015) with lower results at 0.337 g/Nm³ • Online scheduled waste inventory & consignment – updated as of 31/10/2015 where the quantity and storage period for SW 305, SW 306 and SW 410 were within allowable limit. Latest Scheduled Waste disposal was done on 16/6/2015, consignment # 0070223 (SW410); # 0002327 (SW305) and consignment # 0002326 (SW 306) by Kualiti Alam Sdn. Bhd. 	<p>Complied</p>
<p>Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		
<p>5.2.1</p> <p>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).</p> <p>- Major compliance -</p>	<p>As reported during last assessment, in collaboration with the University of Malaya undergraduates and internal staff has carried out an assessment of the presence of HCVs within and adjacent to the Felda plantations. There is no neither HCV area nor biodiversity areas within the landholding.</p>	<p>Complied</p>

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5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	The management plan was established by the respective Felda Scheme managers. As there were no HCVs at the Operating units, monitoring was on the conservation areas such as buffer zones along tributaries of Sungai Jengka. Site inspections confirmed that there was no presence of any RTE species at the Operating units. Regular patrols within the Mill and estates were carried out and findings recorded by the respective Estate executives to monitor the Conservation / buffer zone areas. Sightings of common wildlife were recorded during monitoring such as monkeys (long tailed macaque), snakes (pythons and cobras), monitor lizards and wild boars. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented. Signages that prohibit hunting, fishing and water polluting activities were verified onsite and found to have been satisfactorily maintained.	Complied
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	The program to regularly educate the workforce and community about the status of these RTE species are also established with on-going consultation with the relevant authorities such as the State Wildlife department. There is evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities via the signage erected around the affected areas which prohibit such activities.	Complied
5.2.4	Where a management plan has been created there shall be ongoing monitoring: • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	<u>Jengka 15 & Jengka 16:</u> Interview with the field staffs and document review found that there was no monitoring of the status of adjacent HCV (Jengka reserve forest) as per HCV management plan. Minor nonconformity was raised.	Minor nonconformity
5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	It is verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at the estates visited. Thus negotiated agreement of such nature is not applicable.	Complied
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			

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5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Waste sources have been identified accordingly by both the mill and estates based on the RSPO Manual on Identification and Management of Waste; doc. no.: ML 1A/L2-P08(0); dated March 2012. Visits made to Mill together with Jengka 15, Jengka 16 and Jengka 20 estates showed that all waste products and sources of pollution were identified and documented. The documentation and identification of all the waste products such as scheduled waste, domestic waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, Stack emissions and Boiler ashes were maintained and monitored at the Mill. Jengka 20 tabulated its identified properly in RSPO L1/K5.3/5.3.1. Scheduled Waste identified included spent hydraulic oil (SW 305), spent lubricant oil (SW 306), used chemical containers / drums (SW 409), used filters SW 410) and used batteries (SW 102). Records on the usage and disposal were well recorded and documented. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained.	Complied
5.3.2	All chemicals and their containers shall be disposed of responsibly. - Major compliance -	Based on policy to reduce, reuse and recycle, the management of used chemicals and containers were done in accordance Scheduled Waste regulations. <u>JK18 Seroja Mill:</u> Stores for scheduled waste were inspected at audited sites i.e. Mill and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. The mill and estates also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor appointed including Alivirgo Sdn. Bhd. and Kualiti Alam Sdn. Bhd. <u>Jengka 15, Jengka 16 and Jengka 20 estates:</u> Visit to the settler's farms who managing the farm on their own (urus sendiri) found that the empty chemical containers were disposed (scattered) on the ground. Further verification found there were no disposal records. Major nonconformity was raised.	Major nonconformity
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	<u>All operating units:</u> Disposal of domestic waste at the foreign workers' hostel (Asrama TKI) was not properly managed. Noticed domestic wastes been dumped in an open space behind the workers' hostel. This nonconformity was already raised during the last assessment. The operating units have not addressed the issue appropriately. As per the RSPO requirement, the minor nonconformity was upgraded to major nonconformity.	Upgraded to Major nonconformity
Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.			

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5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	<p><u>Mill:</u> Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Based on record of monitoring of renewable energy usage for financial year period of Jan to Dec 2014 and Jan to Oct 2015, the following were derived where total average fibre (14.60%), shell (4.91%), empty bunch (30.00%) and decanter cake (3.50%) generated from FFB processed. Average monthly fossil fuel (diesel): 0.87liter/mt FFB processed for vehicles and standby/start-up genset consumptions for 2014 while for 2015 was 0.61liter/mt FFB processed. In overall, average renewable energy utilization was at 98.76% for 2014 and 99.97% for 2015.</p>	Complied
<p>Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>		
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, or comparable guidelines in other regions. - Major compliance -	<p>Based on the action plan to prevent open burning which includes planting cover crops, installing zero burning notice boards, briefing and etc. Furthermore, the Group policy of "Zero open burning" is enforced since July 2011. The operating units had adhered the policy of "Zero open burning" for any replanting, if any, at the estates. Field inspections made Jengka 15, Jengka 16 and Jengka 20 field showed no evidence of open burning.</p>	Complied
5.5.2 Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	<p>The operating units have adhered to the zero burning policy for replanting at the estates. During the audit, there were no replanting activities carried out in the sampled estates. There was no evidence of any burning of domestic waste at the housing line sites and at the domestic landfills of the estates during on site field assessment.</p>	Complied
<p>Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		
5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	<p>The operating units had reviewed the environmental impact assessment on potential pollution to water, gaseous emissions to air and contamination on land. At Mill, monitoring of mill gas emissions is being done online using the Continuous Emissions Monitoring System (CEMS) and supported by the Ringelman Smoke Chart. POME treatment, monitoring and land application is monitored, maintained and adhered to DOE regulations i.e BOD below 100mg/l. Boiler stack sampling records: Isokinetic Stack Sampling for Boiler No. 3 on 14/5/2015 by Mareff Management Sdn. Bhd. (Report ref. # Seroja-24/05/15; dated 18/5/2015) for Stack Flue Gas Boiler no. 3. Result shown the stack emissions are within limit at 0.365 g/Nm³ corrected to 12% CO₂. Latest monitoring was done on 12/10/2015 (Report ref. # Seroja-25/10/15; dated 24/10/2015) with lower results at 0.337 g/Nm³</p>	Complied

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5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Identification of significant pollutants and greenhouse gas (GHG) emissions has been done e.g. POME, diesel/fuel and fertilizer. Their usage have been recorded and documented at each of the operating units. The plan to reduce or minimise the GHG emission is in progress. This will be followed up during the next surveillance assessment.	Complied
5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are in place. Tools and systems used include the DOE online CEMS monitoring for air emissions, water quality at discharge points as per DID regulations and SW disposal were adhering to DOE requirements. Water samples were regularly taken every month and tested by mill environment officer in charge and analysed to ensure compliance to DOE requirements at final discharge points. The water samples from mill were sent to Makmal Analisa Bukit Goh while from estates sent to Pusat Penyelidikan Tun Razak (PPTR) FASSB Sungai Tekam for analysis. Records are maintained and verified on-site to have met the permissible regulatory limits. Monthly reporting to DOE was also done and record documented. Smoke emission quality test at the mill was done every 6 month in accordance to the Environmental Quality Regulation. The test was conducted by the external consultant approved by Department of Environment. The latest test result dated 12/10/2015 shows that all parameters were complied with the standard requirements. FELDA has used the Palm GHG v1.0 and now revising the date using Palm GHG v2.0. Will be submitted to RSPO upon completion.	Complied
Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers			
Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.			
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Aspects of estate and mill management related to social issues identified through Social Impact Assessment. Annual review is conducted through stakeholder meetings and communication with stakeholders. It is noted that all the operating units maintain good relationship with internal and external stakeholders such as employees, contractors, surrounding communities and regulatory bodies. Improvement on social obligation includes improvement of the housing and facilities for the employees and contribution to the surrounding community development.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The participation of both internal and external stakeholders (including local from Governmental organizations) which was evident with the list of participants recorded. Minutes of meetings as appended to the SIA Report were maintained as records. List of stakeholders were verified and included government bodies, group associated stakeholders, neighbouring estates and small holders, management staff and workers including representative of migrant workers such as Indonesians, Contractors/suppliers and government clinic staff.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	The social documents had plans for avoidance or mitigation of negative impacts, such as continue monitoring the level of smoke release from the mill, lack of suitable work opportunities for FELDA second generation, etc. The plans also promoting the positive ones such as targeting higher education achievement of school children, organising mobile banking at the settlement with Bank Rakyat. The management of estate and mill has monitored the impacts identified, developed in consultation with the affected parties, especially FELDA settlers. Sighted records of appointed teams headed by estate managers assisted by assistant managers. The roles and responsibilities of these appointed officials were defined.	Complied
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	<u>Mill & Jengka 15:</u> SIA action plan has been updated on 3/10/15. <u>Jengka 16 and Jengka 20:</u> During the document audit, it was found that the plans for avoidance or mitigation of negative impacts and promotion of the positive ones were not reviewed since 2012. This issue was raised as Major nonconformity during last assessment. The implementation of the corrective action plan was found to be not effective. Major nonconformity was raised.	Major nonconformity
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	Positive impacts such as increased work opportunities, increased income and improved living standards are identified.	Complied
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	Policy on industrial relations "Polisi Komunikasi" dated 1 June 2014 signed by Director of FELDA for internal and external communication and consultation is available. In all estates audited, where are actually the Felda Scheme Smallholders, at least three different meetings conducted between the Felda management office and the Scheme Smallholders conducted every month. Among available channels of communications between the management and affected or interested parties are, the Joint Consultative Committee [JCC], gathering with Felda Scheme Smallholders, "Jawatankuasa Kemajuan Rancangan (JKKR)", Gerakan Persatuan Wanita (GPW), etc. All of these meetings are conducted monthly. Other than meetings and gatherings, affected parties also have access to workplace inspections, suggestion boxes, housing maintenance request forms to raise their concerns.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Estate and Mill managers are the nominated persons responsible for communication with the stakeholders. The organization has a list of stakeholders including local authorities, government departments, suppliers and contractors.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.2.3 A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	List of stakeholders are available in file "C.1.1 Maklumat Kepada Stakeholders" in all operating units. Internal stakeholders may raise their concerns through different communication channels as mentioned above. External Stakeholders may specifically raise their concerns through suggestion boxes, letters or personal meetings with any of the managers. Latest stakeholder meeting was conducted on 9/3/15 that involves the whole certification units of Jengka 18. Representatives from government, community, settlers, schools etc. <u>Jengka 15 & 16</u> Latest JKKR meeting was done on 23/10/2015 attended by stakeholders including representatives from government departments. <u>Jengka 20</u> Latest JKKR meeting was done on 28/10/2015 attended by stakeholders including representatives from government departments.	Complied
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.		
6.3.1 The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	FELDA has an established and documented system for dealing with complaints and grievances and it was implemented through manual "Manual Lestari 1A [ML-1A/L2-PR4 (0)]". Record shows that 'Complaints and Grievances Book' in all estates visited are still active in recording complaints/requests made by employees and Scheme Smallholders. Over the past 12 months, entries made were mainly on minor repairs needed to the housing facilities and access road which were verified to be attended to in a timely manner.	Complied
6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	Complaints and grievances are handled by respective responsible persons. Outcomes from the actions taken are recorded in different manners, e.g. meeting minutes and mechanisms are appropriately established and implemented. Records of meeting and any resolutions or outcomes are maintained through Minutes or in Complaints Log.	Complied
Criterion 6.4: 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.		
6.4.1 A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	No cases requiring any negotiation or compensation pertaining to these criteria. There have been no changes in this status as at the period of verification on site.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance –	The FELDA Scheme Smallholders and plantation operations are based on approval from federal government. Therefore, no cases requiring any negotiation or compensation pertaining to these criteria.	Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance –	No cases requiring any negotiation or compensation pertaining to these criteria. There have been no changes in this status as at the period of verification on site.	Complied
Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.			
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	Only local workers are hired at the POM and in all the estates offices. Jengka 15, Jengka 16 and Jengka 20 hired both local and foreign workers. Documentation and conditions of pay for the local and foreign workers at the estates offices are available for verification. The payment slips for foreign workers at the estates sighted are easy to understand and this fact was further verified with migrant workers. Payments are made latest by 7th of each month and consistent with Minimum Wage Order 2012. Holidays entitlements as required by the laws are satisfactorily fulfilled, e.g. annual leaves, public holidays, and maternity leave. Workers verified: Employee ID: 1210886, 1210826, 1210785, 1210796, 1210756, 1203479, and 1202986.	Complied
6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. - Major compliance -	Offer letters and signed "Pengakuan Penerimaan Syarat - syarat Perkhidmatan Petugas Syarikat Kumpulan Felda & Kod Etika dan Tatalaku Petugas Syarikat Kumpulan Felda yang berkuatkuasa Mulai 1 Januari 2010" for local workers are sighted. Documented employment contract, i.e. "Surat Perjanjian Pekerjaan diantara Felda Global Ventures Plantations (M) Sdn. Bhd. (974143 – H) dengan Pekerja Asing Indonesia" for foreign workers hired by FTP were sighted during the audit. The document covers all issue such as working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, and reasons for dismissal, period of notice made available in Bahasa Malaysia which is understood by the workers.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance -	Housing is provided for free to the workers. Free medical treatment for workers are available at government Clinic and company panel clinics which is located in Bandar Pusat Jengka and Jerantut. Mill provides dedicated van for transport to clinic. Government schools are within close proximity of the Estate and Mill. Electricity and water are available from government supply.	Complied
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance -	Food for the Felda staff, Scheme Smallholder and FTP foreign workers provided through sundry shops at the vicinity of the operating units. Most of the sundry shops are operated by the Scheme Smallholders through JKRR.	Complied
Criterion 6.6: The employer 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.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	The published statements of policy "Polisi Hak Kebebasan Bersuara and Menganggotai Kesatuan", dated 1 June 2014 signed Director of FELDA recognises the employee's freedom of association, was found to be available and widely displayed in all notice boards of the operating units. This policy is available in Bahasa Malaysia which can be understood by majority of the workers. All non-executive Felda staff is members of Kesatuan Pekerja-Pekerja Felda Palm Industries Sdn. Bhd. and all executives' staff are members of Kesatuan Kakitangan Kanan Felda (PKKF).	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	The last meeting was conducted on 10/3/15 that attended by 9 persons.	Complied
Criterion 6.7: Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	FELDA has a policy of not employing child labour i.e. persons below 18 years old in accordance with Employment Act 265 as evidenced in "Polisi Pekerja Kanak-Kanak", dated 1 June 2014 signed by Director of FELDA. This policy is displayed at strategic public places. At time of hire age is checked by examination of ID card for local persons. Check of Passports of foreign workers is carried out prior to hire. Children and under-age workers were not observed at any of the Mill or Estate operational areas during the field visit. This was further verified through workers list from the SAP system which shows the date of birth and no under-age workers.	Complied
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			

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Criterion / Indicator		Assessment Findings	Compliance
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	The operating units have a publicly displayed documented policy on equal opportunities, i.e. "Polisi Kesetaraan Peluang", dated 1 June 2014 signed by Director of FELDA. The policy stressed on nondiscrimination based on race, caste, nationality, religion, gender, sexual orientation, disability/handicap, and union/political affiliations. However, positive discrimination for the benefit of certain society groups may be allowed after consultation.	Complied
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Foreign workers were only employed by FTP. FELDA adopted the "Polisi Pengambilan Pekerja Asing", dated 1 June 2014 signed by Director of FELDA. The employment of foreign workers was implemented without affecting the opportunities for local communities. Interviews with FTP foreign workers revealed satisfaction with the estates for job opportunities and they enjoy all common welfare amenities like free housing, free water and electricity supplies and medical care. They are aware that their grievances can be raised through various channels, especially the regular roll call meetings they are attending every morning.	Complied
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Depending on the nature of work positions, The operating unit management takes into considerations the needs for technical qualifications/experience and related skills in recruitment selection, hiring and promotion exercises. It was verified that the promotions to higher position at the estates and Mill were based on evaluations which considered the skill, capabilities, qualities and medical fitness of the employees.	Complied
Criterion 6.9:			
There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	A documented policy to prevent sexual harassment and violence "Polisi Gangguan Seksual, Keganasan Serta Hak Kebebasan Reproduksi" dated 1 June 2014 signed by Director of FELDA. Gender committees or equivalent are formed, i.e. Kelab Keluarga Dayabudi (KKD) in the POM and Gerakan Persatuan Wanita (GPW) in the estates. All these committees are aware of the policy and its complaints procedures and planned has been developed to explain sexual harassment to the communities within the operating units.	Complied
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	A documented policy to prevent sexual harassment and violence including reproductive rights " Polisi Gangguan Seksual, Keganasan Serta Hak Kebebasan Reproduksi" dated 1 June 2014 signed by Director of FELDA. All committees mentioned above, i.e. KKD and GPW are aware of the policy and its complaints procedures. This policy and procedures have been communicated to all level workforce and the settlers through various activities as mentioned above. Local female staff is fully aware that they are entitled for two months paid maternity leave.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	Complaint and grievance procedures "Polisi Pemberian Maklumat (whistle blowing)" dated 1 August 2006 [Bil. (10)FH/02/20] signed by Human Resource Director of FELDA are available to manage grievances and complaints from internal and external stakeholders. Management and gender committee representatives confirmed that there has been no report of sexual harassment in the operating units so far. For example, Latest Gender committee (KKD - "Kelab Keluarga Dayabudi") meeting was conducted on the 09 January 2015 together with Mill and estate attended by 14 members. Social activities and committee fund raising are the issues discussed. No sexual harassment issues were reported.	Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	Onsite audit verified that the current and past prices paid for FFB pricing were displayed at the Mill and Estate offices.	Complied
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	Pricing mechanism for FFB is fair and transparent. Price of FFB was set based on MPOB approved price. FFB was also graded by licensed graders based on MPOB specification.	Complied
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Stakeholder interviews conducted during this assessment with suppliers, contractors, and relevant parties including local and foreign workers confirmed that understand the contractual agreements (such as terms and payment) they enter into with the operating units. They also consider the business transactions as fair and transparent.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Agreed payments are made promptly within the 30day of the following month. Through interviews made, there is no evidence to suggest of any unfair business practices with the local businesses.	Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance -	All operating units contribute to local development through consultation and communication with the localised head of village called "Ketua JKKR".	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance -	The Technoplant Manager and Scheme Manager ensure that there are sufficient resources allocated to improve smallholder productivity through on-the-field supervision, training and monthly meeting.	Complied
Criterion 6.12: No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	Workers, staff and stakeholder interview confirm that there is no any form of forced labour or trafficked labour in the operating units. All employees have employment contract and paid the agreed national minimum wages.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	There was no evidence of contract substitution and this was confirmed from interviews with workers and relevant stakeholders.	Complied
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance –	The special policy on recruitment of foreign workers “Polisi Pengambilan Pekerja Asing” and equal opportunities “Polisi Kesetaraan Peluang” are established and the implementations are verified to be satisfactory. Review on employment contracts of foreign workers also confirmed that the policies, including minimum wages have also been duly implemented.	Complied
Criterion 6.13: Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance –	The Human Rights Policy “POLISI HAK ASASI MANUSIA” dated 1 June 2014 signed by Director of FELDA has been documented and communicated to all levels of the workforce and operations.	Complied
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable for Peninsular Malaysia.	Not Applicable
Principle 7: Responsible development of new plantings Jengka 18 Seroja Certification unit and supply base did not carry out any new plantings after Nov 2005. Therefore, the requirement of Principle 7 is not applicable during this third surveillance assessment.			
Principle 8: Commitment to continual improvement in key areas of activity			
Criterion 8.1: Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); <ul style="list-style-type: none"> • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>FELDA Jengka 18 Seroja operating units have identified and implemented the following Continual Improvement Plans in the mill and estates for the period 2015 to 2016 as required.</p> <p>The plans include:</p> <ul style="list-style-type: none"> • Reduce the usage of pesticides • Construction of Biogas plant for methane capture is expected to commissioning by early of 2016. • Increase planting of beneficial plants (Turnera subulata, Cassia cobanensis and Antigonon leptopus) along the roads including those passing through scheme smallholders' plots. • Arrange fronds in L-shape on flat land including scheme smallholders' plots. • Repair and repainting of workers' houses/quarters. • Maintaining of zero accident rate. • Reduce the delivery time of FFB to Mill. • Anuagerah Keceriaaan Kampung FELDA top 5 wilayah Jengka – JK15 	<p>Complied</p>

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Appendix B: Felda Global Ventures Plantation Sdn. Bhd. Time Bound Plan

No	Mill complexes and Time Bound Plan for Certification								
	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	K.Gelanggi (Recertification Completed)	Jengka 21	Adela	Belitong	F. Harapan	Embara Budi	Palong Timor	Aring A	Sampadi
2	L. Utara 6 (Recertification Completed)	Jengka 3	Lok Heng	Bukit Besar	Baiduri Ayu	L. Kemudi	Serting Hilir	Cini 3	Pontian
3		Jengka 8	Semencu	Kahang		Kalabakan	Maokil	Ciku	Air Tawar
4		L. Utara 4	Waha	Kulai		Umas	Tenggaroh	Kemahang	
5		Jengka 18	B. Kepayang	Nitar		Neram	T.Timor	Tersang	
6		Padang Piol	Bukit Mendi	Penggeli		Pancing	Kechau A	Cini 2	
7			Kemasul	Lepar Hilir		Besout	Kechau B		
8			Tementi	Bukit Sagu		Trolak	Keratong 9		
9			Triang			Keratong 2			
10						Keratong 3			
11						Sg Tenggi			
12						Krau			
13						Mempaga			
14						Serting			
15						Pasoh			
16						Selancar 2A			
17						Selancar 2B			
18						Chalok			
19						J. Barat			
20						J. Baru			
21						Kertih			

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22						Selendang			
23						Kembara Sakti			
24						M. Puspita			
25						N. Permata			
26						H. Badai			
Total	2	6	9	8	2	26	8	6	3
Audited	Certified								

New Planting Procedure (NPP) for newly acquired plantations.

Malaysia:

FGV had conducted HCV and SIA assessment for the APL concession and in the process of submitting the NPP to RSPO.

Proposed New Acquisition	Date of proposal	Hectarage (Ha)	SEIA & HCV	New Planting Procedure (NPP)	Updated Status – Nov 2015
Asian Plantation Limited (APL)	07 Nov 2014	24,000.00	HCV and SIA conducted.	NPP in process.	HCV on HCVRN peer review process.

Indonesia:

Proposed New Acquisition	Date of Proposal	Hectarage	SEIA & HCV	New Planting Procedure (NPP)	Updated Status – Sept 2015
PT Citra Niaga Perkasa, Kalimantan	Jun 2012	14,385.00	SEIA: Completed HCV: Completed	NPP Completed	Nursery and Planting Development (800 ha planted as October 2015)
PT Temila Agro Abadi, Kalimantan	Dec 2012	8,193.00	SEIA: Completed HCV: conducted	NPP completed and approved by RSPO	738 ha planted as at September 2015.

Appendix C: FELDA – Jengka 18 (Seroja) Palm Oil Mill Certification Unit RSPO Certificate Details

Felda Global Venture Plantation (M) Sdn. Bhd.
 Jengka 18 (Seroja) Palm Oil Mill,
 Jengka, Pahang, MALAYSIA
www.feldaglobal.com
 FELDA RSPO Membership No: 1-0013-04-000-00

BSI RSPO Certificate No: SPO 606899
 Certificate Issued Date: 16 January 2013
 Date of Expiry: 15 January 2018

Applicable Standards: RSPO P&C MYNI- 2014; RSPO Certification System June 2007 (revised March 2011) including Annex 4: Procedures for Annual Surveillance; RSPO Supply Chain Certification Standard November 2014 CPO Mills - Module – E: Mass Balance.

Jengka 18 (Seroja) Palm Oil Mill and Supply Base					
Location Address		Pejabat Felda Jengka 18 (Seroja) Palm Oil Mill, 26400 Bandar Pusat Jengka, Jengka, Pahang, Malaysia.			
GPS Location		Longitude: 102°33.549' E Latitude: 3°35.423' N			
CPO Tonnage Total		61,562			
PK Tonnage Total		15,642			
CPO Claimed for Certification (Certified)*		61,562			
PK Claimed for Certification (Certified)*		15,642			
Own supply base FFB Tonnage (Certified)*		287,000			
Company's adjacent Suppliers FFB Tonnage – Other adjacent estates (Certified)		0			
Estate	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Jengka 15	1,574.84	0	174.98	1,749.82	38,509
Jengka 16	1,708.99	0	189.88	1,898.87	28,251
Jengka 17	1,662.10	0	184.64	1,846.74	41,226
Jengka 18	1,965.38	0	218.67	2,184.05	49,421
Jengka 19	2,417.34	0	268.59	2,685.93	69,319
Jengka 20	1,721.14	157.04	208.86	2,087.04	41,058
Sg. Nerek	955.23	0	106.14	1,061.37	19,216
Kg. Awah	526.24	0	58.47	584.71	0
TOTAL	12,531.26	157.04	1,410.23	14,098.53	287,000

Remarks: *Production from Independent FFB suppliers excluded in the Certification.

Appendix D: Assessment Plan

PRELIMINARY AGENDA					
Date	Time	Subjects	Muhd Haris	Kelvin	Hafri
Monday 2/11/2015	PM	Audit Team travelling to the site.	√	√	√
Tuesday 3/11/2015 JK 18 (Seroja) Palm Oil Mill	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation). 	√	√	√
	09.00 – 12.00	JK 18 (Seroja) Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	-	√
	10.00 – 12.00	Meeting with stakeholders (Government, village rep, smallholders, Workers Leader, contractor etc.)	-	√	-
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	JK 18 (Seroja) Palm Oil Mill: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16.30-17.00	Interim Closing briefing.	√	√	√
Wednesday 4/11/2015	08.30 – 12.00	Jengka 15 & Jengka 16 Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Jengka 15 & Jengka 16 Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30-17.00	Interim Closing Briefing	√	√	√
Thursday 5/11/2015	8.30 – 12.00	Jengka 20 Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	√

PRELIMINARY AGENDA					
Date	Time	Subjects	Muhd Haris	Kelvin	Hafri
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Jengka 20 Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30 - 17.00	Preparation for closing meeting	√	√	√
	17.00 – 17.30	Closing Meeting	√	√	√
Friday 6/11/2015	AM	Audit Team travelling to KL.	√	√	√

Appendix E: Stakeholders Contacted

<p><u>Internal Stakeholders</u></p> <p>Managers and Assistants Male Mill Staff/Workers Female Mill Staff/Workers Weighbridge operators Foreign Worker Male and Female Estate workers Joint Consultative Committee Gender Committee Secretary FELDA workers Union Representatives</p>	<p><u>External Stakeholders</u></p> <p>Head of the Village Mosque Committee Settlers committee</p>
<p><u>Government Departments</u></p> <p>School Labour Department Department of Occupational Safety and Health Clinic</p>	<p>Electrical Contractor General Supplier</p>

Appendix F: Jengka 18 (Seroja) Palm Oil Mill Supply Chain Assessments (Module E: Mass Balance)

Requirements	Compliance
E.1 Definition	
<p>E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>The Jengka 18 Seroja Palm Oil Mill receives and process both certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified Products.</p>
E.2 Explanation	
<p>E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>
E.3 Documented procedures	
<p>E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	<p>Jengka 18 Seroja Palm Oil Mill has procedures for the incoming FFB, processing and outgoing Crude Palm Oil and Palm Kernel for the traceability with Mass Balance model covering certified and non-certified FFB received.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Jengka 18 Seroja Palm Oil Mill has documented procedures for the incoming FFB, processing and outgoing palm products (CPO and PK). System available to make marking on the receiving documents to differentiate the certified and non-certified FFB received.</p>
E.4 Purchasing and goods in	
<p>E.4.1 The site shall verify and document the volumes of certified and non-certified FFBs received.</p>	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. Records verified by internal and external audit.</p>
<p>E.4.2 The site shall inform the CB immediately if there is a projected overproduction.</p>	<p>The facilities aware of this procedure.</p>

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E.5 Record keeping	
<p>E.5.1 a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>(b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. Computerized system in place. Records verified by internal and external audit.</p> <p>Computerized system in place with the delivery deducted accordingly.</p> <p>The Mill aware that only positive stock can be delivered. No short selling.</p>
<p>E.5.2 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement</p>	<p>No outsourcing activities.</p>

Actual Certified Palm Production - 01 January 2015 - 31 December 2015

MILL	CAPACITY	CPO	PK
Jengka 18 Palm Oil Mill	45 mt/hr	54,041	13,657

Actual Sales of Certified Palm Products - 01 January 2015 - 31 December 2015

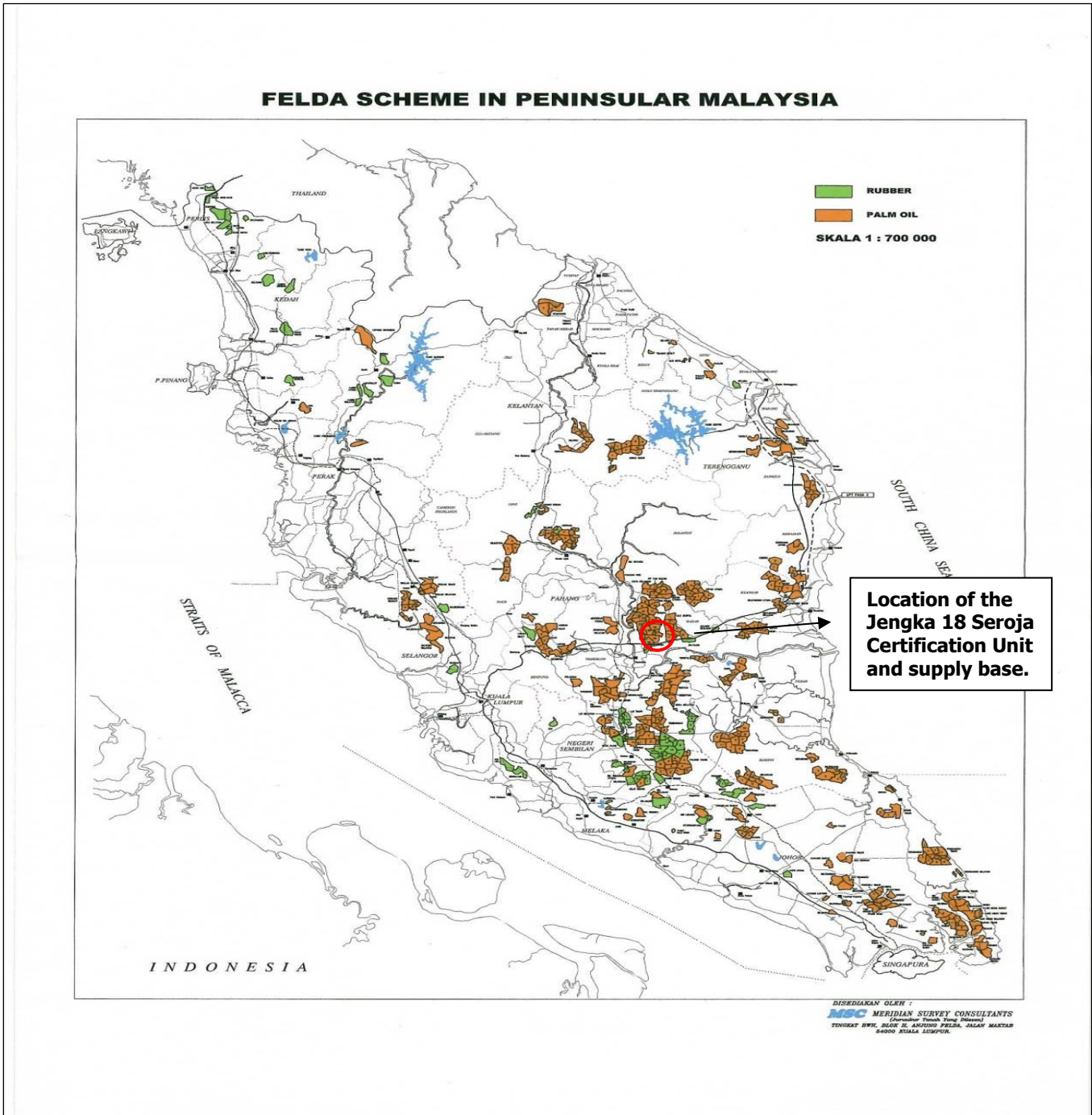
	CPO (Certified)	PK (Certified)	Remarks
TOTAL	52,913*	7,370.52**	*CPO: Green Palm Certificate allocated **PK: Physical sales through eTrace at the time of audit.

Actual Certified FFB Received Monthly - 01 January 2015 - 31 December 2015

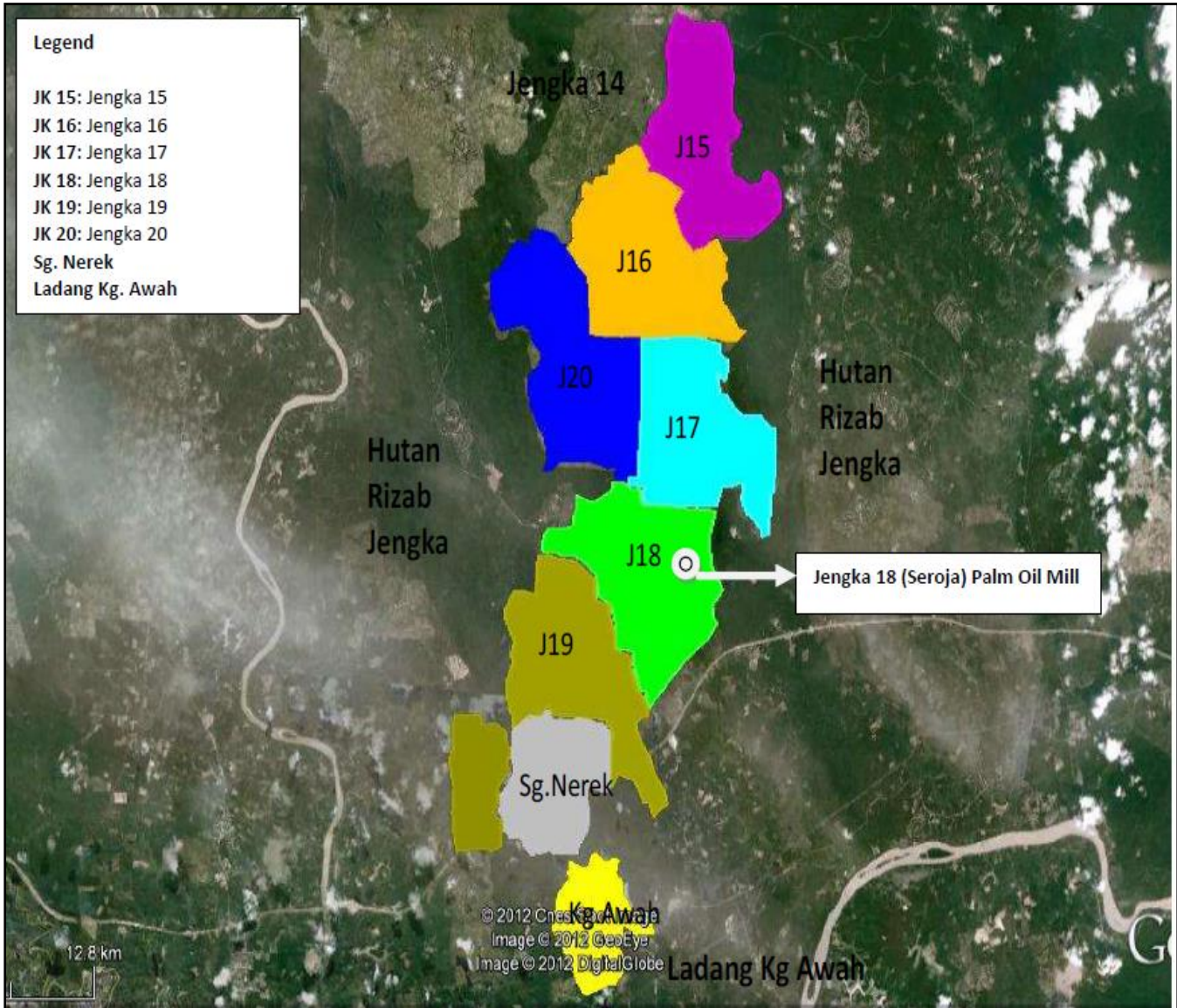
Month	JK 15	JK 16	JK 17	JK 18	JK 19	JK 20	Sg. Nerek	Kg. Awah	Total FFB/Month
Jan'15	1,018	1,103	907	1,661	1,568	763	715	15	7,750
Feb'15	1,476	1,170	1,461	2,445	2,047	1,015	883	17	10,514
Mar'15	2,267	1,845	2,250	3,971	3,377	1,835	1,259	31	16,835
Apr'15	3,235	2,492	3,151	5,573	4,686	2,597	1,854	70	23,658
May'15	3,257	3,013	3,673	5,793	5,271	3,017	2,148	100	26,272
Jun'15	3,659	3,061	3,912	5,785	5,029	3,266	1,951	99	26,762
Jul'15	3,686	3,516	4,101	5,876	5,106	3,705	1,939	83	28,012
Aug'15	3,361	3,650	3,637	5,296	5,044	3,399	2,357	70	26,814
Sep'15	3,479	3,208	4,024	5,831	4,872	3,306	1,884	64	26,668
Oct'15	2,817	2,674	3,275	4,888	4,327	2,752	1,666	52	22,451
Nov'15*	2,500	2,400	3,000	4,600	4,000	2,600	1,500	45	20,645
Dec'15*	2,200	2,100	2,700	4,250	3,800	2,450	1,350	40	18,890
Total	32,955	30,232	36,091	55,969	49,127	30,705	19,506	686	255,271

Remarks: *FFB Tonnage for November and December are based on budget.

Appendix G: Location Map of FELDA Plantation in Peninsular Malaysia and Jengka 18 Seroja Certification Unit



Appendix H: Location of the FELDA - Jengka 18 Seroja Palm Oil Mill and FFB Supply Base



Appendix I: List of Abbreviations Used

ASA3	Annual Surveillance Assessment 3
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EMS	Environmental Management System
FASSB	FELDA Agriculture Services Sdn. Bhd
FFB	Fresh Fruit Bunch
FGV	FELDA Global Ventures (M) Sdn. Bhd
FPISB	FELDA Palm Industries Sdn. Bhd
FTP	FELDA Technoplant
GMP	Good Manufacturing Practice
HCV	High Conservation Value
IAV	Initial Assessment Visit
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
JK15	Felda Jenka 15
JK16	Felda Jenka 16
JK20	Felda Jenka 20
JK18	Felda Jenka 18
JK18POM	Jenka 18 Palm Oil Mill
MLSL	Manual Ladang Sawit Lestari (Sustainable Agriculture Manual)
MSDS	Material Safety Data Sheet
PK	Palm Kernel
POM	Palm Oil Mill
PPE	Personal Protective Equipment
PSQM	Plantation Sustainability and Quality Management
RSPO	P&C Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure