

**MALAYSIAN SUSTAINABLE PALM OIL
– INITIAL ASSESSMENT
Public Summary Report**

FGV Holdings Berhad
Head Office: Level 20 West, Wisma FGV Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia
Certification Unit: FGV Palm Industries Sdn Bhd (Kulai Palm Oil Mill) and FGV Plantations (Malaysia) Sdn Bhd (FGV Agri Services Sdn Bhd - Bukit Besar/Taib Andak Estate) Location of Certification Unit: Kilang Kelapa Sawit Kulai, Felda Taib Andak, 81000 Kulai Johor

Report prepared by:
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Report Number: 9674429

Assessment Conducted by:
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TABLE of CONTENTS	Page No
Section 1: Executive Summary	3
1.1 Organizational Information and Contact Person	3
1.2 Certification Information.....	3
1.3 Location of Certification Unit.....	4
1.4 Plantings & Cycle	4
1.5 FFB Production (Actual) and Projected (tonnage).....	4
1.6 Certified CPO / PK Tonnage	5
1.7 Certified Area	5
1.8 Details of Certification Assessment Scope and Certification Recommendation:.....	5
Section 2: Assessment Process	6
1. Assessment Program	7
Section 3: Assessment Findings	8
3.1 Details of audit results	8
3.2 Details of Nonconformities and Opportunity for improvement.....	8
3.3 Status of Nonconformities Previously Identified and OFI	10
3.4 Issues Raised by Stakeholders	10
3.5 Summary of the Nonconformities and Status.....	11
3.6 Summary of the findings by Principles and Criteria	12
Section 4: Assessment Conclusion and Recommendation	77
Appendix A: Assessment Plan.....	78
Appendix B: List of Stakeholders Contacted	79
Appendix C: Smallholder Member Details.....	80
Appendix D: Kulai Palm Oil Mill Location and Field Map.....	81
Appendix E: FGVASSB Bukit Besar/Taib Andak Estate Field Map	82
Appendix G: List of Abbreviations	83

Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	FGVPISB Kulai POM - 500161004000 FGVASSB Bukit Besar/Taib Andak Estate - 502670102000		
Company Name	FGV Holdings Berhad		
Address	Head Office: Level 20 West, Wisma FGV, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia Certification unit: Kilang Kelapa Sawit Kulai, Felda Taib Andak, 81000 Kulai Johor		
Group name if applicable:	FGVPISB Kulai Palm Oil Mill		
Subsidiary of (if applicable)	N/A		
Contact Person Name	Anthonius Sani		
Website	http://www.feldaglobal.com/sustainability	E-mail	anthonius.s@fgvholdings.com
Telephone	03-2859 1623	Facsimile	03-27890440

1.2 Certification Information			
Certificate Number	Mill: MSPO 693238 Estate: MSPO 693239		
Issue Date	12/06/2019	Expiry date	11/06/2024
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	19/09/2018 – 20/09/2018		
Stage 2 / Initial Assessment Visit Date (IAV)	14/01/2019 – 15/01/2019		
Continuous Assessment Visit Date (CAV) 1	N/A		
Continuous Assessment Visit Date (CAV) 2	N/A		
Continuous Assessment Visit Date (CAV) 3	N/A		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 693237	RSPO	BSI Services Malaysia Sdn Bhd	18/02/2024
ISO 9001:2015	Quality management system	SIRIM QAS International Sdn Bhd	11/08/2019

MSP0 Public Summary Report
Revision 0 (Aug 2017)

ISO 14001:2015	Environmental management system	SIRIM QAS International Sdn Bhd	02/03/2021
OHSAS 18001:2007	Occupational health and safety management system	SIRIM QAS International Sdn Bhd	23/02/2020

1.3 Location of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
FGVPISB Kulai Palm Oil Mill	Kilang Kelapa Sawit Kulai, Felda Taib Andak, 81000 Kulai, Johor, Malaysia	103° 38' 50" E	1° 44' 21" N
FGVASSB Bukit Besar/Taib Andak Estate	Stesen Penyelidikan Bukit Besar, 81450 Kulai, Johor, Malaysia	103° 38' 48" E	1° 44' 31" N

1.4 Plantings & Cycle

Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
FGVASSB Bukit Besar/Taib Andak Estate	-	55.26	-	-	-
TOTAL	-	55.26	-	-	-

1.5 FFB Production (Actual) and Projected (tonnage)

Producer Group	Estimated	Actual	Forecast (Jun 2019 – May 2020)
FGVASSB Bukit Besar/Taib Andak Estate	N/A	N/A	720.00
TOTAL	N/A	N/A	720.00

1.6 Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable

Independent FFB Supplier	Tonnage / year		
	Estimated	Actual	Forecast (Jun 2019 – May 2020)
Smallholders	N/A	N/A	5,150.40
Eng Huat			1,700.00
Pineapple			4,000.50
Che Yu			2,055.80

MSPO Public Summary Report
Revision 0 (Aug 2017)

Bakti Mas			0
PPNJ			1,000.00
Kim Ma Oil Palm			50.00
Ladang Petri			500.00
Pertubuhan Peladang Kawasan JB Timur			720.00
Total			15,176.70

1.7 Certified CPO / PK Tonnage			
Mill	Estimated	Actual	Forecast (Jun 2019 – May 2020)
FGVPISB Kulai Palm Oil Mill 30 MT/hr	CPO (OER:%)	CPO (OER: %)	CPO (OER: 19.60 %)
	N/A	N/A	141.12 mt
	PK (KER: %)	PK (KER: %)	PK (KER: 5.75 %)
	N/A	N/A	1.40 t

1.8 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
FGVASSB Bukit Besar/Taib Andak Estate	55.26	0	3.48	58.74	94.08
Total	55.26	0	3.48	58.74	94.08

1.9 Details of Certification Assessment Scope and Certification Recommendation:
<p>BSI Services Malaysia Sdn Bhd has conducted the Initial Certification Assessment of FGV Palm Industries Sdn Bhd - Kulai Palm Oil Mill, located in Kilang Kelapa Sawit Kulai, Felda Taib Andak, 81000 Kulai Johor, Malaysia comprising 1 estate (FGVASSB Bukit Besar/Taib Andak Estate), 1 mill (FGVPISB Kulai Palm Oil Mill) and infrastructure.</p> <p>The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder, MS 2530-4:2013 Part 4: General principles for palm oil mills and MSPO Guidance.</p> <p>The onsite assessment was conducted on 14 - 15/01/2019.</p> <p>Based on the assessment result, FGV Palm Industries Sdn Bhd – Kulai Palm Oil Mill and Supply Bases (FGVASSB Bukit Besar/Taib Andak Estate) complies with the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder, MS 2530-4:2013 Part 4: General principles for palm oil mills and MSPO Guidance and recommended for certification.</p>

Section 2: Assessment Process

Certification Body:

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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.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 14 - 15/01/2019. The audit programme is included as Appendix A. The approach to the audit was to treat the FGVPIB Kulai Palm Oil Mill and Supply Bases (FGVASSB Bukit Besar/Taib Andak Estate) as a MSP0 Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities. Prior to audit conducted, public consultation was made accordingly; refer <https://www.bsigroup.com/en-MY/RSPO-MSP0-Certification/MSP0-clients-and-reports1/>

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. MS 2530-3:2013 and MS 2530-4:2013 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders sample were determined based on formula $S = r\sqrt{n}$ where n is the number of estates while when applicable, the smallholders sample were determined following the MSP0 Certification Requirement. The sampling of smallholders were based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSP0 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 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 B.

The assessment findings for the initial assessment are detailed in Section 4.2.

MSPO Public Summary Report
Revision 0 (Aug 2017)

This report is structured to provide a summary of assessment finding as attached in the Section 3. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI.

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 / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
FGVPISB Kulai Palm Oil Mill	✓	✓	✓	✓	✓
FGVASSB Bukit Besar/Taib Andak Estate	✓	✓	✓	✓	✓
Stakeholder Consultation	✓	✓	✓	✓	✓

Tentative Date of Next Visit: November 11, 2019 - November 12, 2019

Total No. of Mandays: 4 mandays

BSI Assessment Team:

Hafriazhar Mohd. Mokhtar - Lead Auditor

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, Solomon Islands, Gabon and Nigeria. 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.

Muhammad Fadzli Masran – Team Member

He holds Bachelor Degree in Forestry Science, graduated from University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers’ welfare, workers’ occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. Fadzli had accumulated auditing experience when he was the internal auditor for ISO 9001 and ISO 14001 at Kulim Plantations. He has completed ISO IMS 9001, 14001, 45001 (OHS 18001) Lead Auditor Course in April 2018 and endorsed RSPO Lead Auditor Course in July 2018. Fluent in Bahasa Malaysia and English Language. During this assessment, he assessed on the aspects of mill and estate best practices, waste management, HCV, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Accompanying Persons: Nil

Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following MSPO normative requirements. The assessment details are provided in Appendix A.

- MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Certification Assessment there were two (2) Major nonconformities and one (1) opportunity for improvement raised. The Kulai Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the Corrective Actions for the Major Nonconformity has been verified for its effectiveness and closed accordingly.

Major Nonconformities:		
Ref	Area/Process	Clause
1729409-201901-M1	FGVPISB Kulai Palm Oil Mill	Part 4: 4.4.5.11
Requirements:	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	
Statement of Nonconformity:	The surrounding of on-site living quarters of an employee's house is not so conducive	
Objective Evidence:	Mill housing area: Sighted at mill housing # 26-B; FFB lorry parking next to house, an engine being kept, few old motorbikes also kept and found trace of old oil spillage on the floor and ground in front of house.	
Corrections:	<ol style="list-style-type: none"> 1. Mill Management will provide a warning letter and take firm action against employees who do not comply with the rules. 2. Mill Management will organize mutual cleansing. 	
Root cause analysis:	<ol style="list-style-type: none"> 1. The employee housing area was not monitored thoroughly by management. 2. Employee are still not aware the importance of environment and the inhabited of workers' housing. 3. The action against the offender was not taken seriously. 	
Corrective Actions:	<ol style="list-style-type: none"> 1. Mill Management provide a warning letter to the 26-B home residents not to repeat the same mistakes in the future. 2. Give awareness on how importance of environment and the rules of inhabited of workers' housing. 3. Carry out weekly monitoring as stipulated in Standard Minimum Housing & Facilities Act. 	

MSP0 Public Summary Report
Revision 0 (Aug 2017)

Assessment Conclusion:	<p>Verified corrections and corrective actions:</p> <ol style="list-style-type: none"> 1. Letter to affected worker Ref. # (79)840A/4004/KL/1.3JD1; Dated 14/1/2019 2. Photographic evidence of before and after cleaning of affected house (26-B) 3. Awareness briefing record dated 18/1/2019 4. Records of weekly monitoring (Senarai Semak Perumahan Petugas) as of Jan 2019 <p>The evidences submitted found adequate and effectively implemented. Thus, the Major NC was effectively closed.</p>
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Major Nonconformities:		
Ref	Area/Process	Clause
1729409-201901-M2	FGVPISB Kulai Palm Oil Mill	Part 4: 4.4.4.2
Requirements:	The risks of all operations shall be assessed and documented	
Statement of Nonconformity:	The risk assessment conducted not covered some activities for the mill.	
Objective Evidence:	<p>Mill:</p> <p>During document review, it was noted that the HIRADC has not covered some activity/ work station/ storage/ disposal area such as line site activities. The suggestion for action to be taken were found same with the existing control measure and the statement are to general.</p>	
Corrections:	<ol style="list-style-type: none"> 1. Make an assessment on mill area and workers' housing area to identify the occurrence of hazard. 2. Identify risky activities and establish a management plan. 	
Root cause analysis:	The mill management did not make HIRADC's assessment of the entire activity in mill (include work activities at workers' housing) and management/improvement plan for high risk activities.	
Corrective Actions:	Mill management will review the HIRADC's every year and make additions if there is a new work activity. It should also be reviewed if there are any accidents occurring at the workplace.	
Assessment Conclusion:	<p>Verified corrections and corrective actions:</p> <ol style="list-style-type: none"> 1. Re-assessment of HIRADC by mill management dated on 23/1/2019 2. Management plan of identified risks as per Borang HIRADC; FPI/L4/QOHSE-1.4 Pind. 2 dated 23/1/2019 3. Records of review of HIRADC assessment dated 23/1/2019 <p>The evidences submitted found adequate and effectively implemented. Thus, the Major NC was effectively closed.</p>	

Opportunity For Improvement		
Ref	Area/Process	Clause
1729409-201901-I1	FGVASSB Bukit Besar/Taib Andak Estate	Part 4: 4.4.4.2
Requirements:	The risks of all operations shall be assessed and documented	
Objective Evidence:	The monitoring of the first aid kit must be conducted on timely basis to ensure all the item in the inventory must be adequate at all time	

Noteworthy Positive Comments	
1.	Nil

3.3 Status of Nonconformities Previously Identified and OFI

Not applicable since this is Initial Assessment.

3.4 Issues Raised by Stakeholders

IS #	Description
1	Feedbacks: By GPW Chairperson – good involvement of all women employee including male employee’s spouse in gender committee activities with good support by mill and estate management.
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.
2	Feedbacks: Union (NUPW) representative – freedom was fully given by management for employee to involve and participate in union activities. The representative attended the recent annual meeting in Terengganu with unrecorded leave.
	Management Responses: Management always recognized freedom of association and support all activities related.
	Audit Team Findings: Infor included in checklist.
3	Feedbacks: Vendors & contractors – long service to FGV since more than the past 10 years. No issue in pricing and payment.
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.
4	Feedbacks: SAJ (Water Authority) representative – seeks continuous support and cooperation in ensuring the source of water especially nearby water intake point is not harmed. There was recent case of water contamination at SAJ treatment plant due to contaminated intake point. Investigation suggest contamination could come from mill/estate along the stream and FGV was among those.
	Management Responses: Management received letter from SAJ on the recent issue of contamination and conducted joint investigation. Based on evidence of water monitoring and the results of effluent sample analysis, the

MSP0 Public Summary Report
Revision 0 (Aug 2017)

	<p>source of contamination was not by either mill or estate. The mill and estate monitored the water quality on frequent basis and take immediate action in case of any violation of quality parameters.</p> <p>Audit Team Findings: Cross reference to effluent and water quality monitoring of relevant time of incident claimed by SAJ shown no evidence of violation of required parameters. Response to SAJ also sighted. Issue will be kept in view for reference in next audit.</p>
5	<p>Feedbacks: SKSB teacher – attended the previous stakeholder meeting and satisfied with info provided.</p>
	<p>Management Responses: All relevant stakeholder will be invited in the periodical stakeholder meeting conducted to share the sustainability info and discuss any issues.</p>
	<p>Audit Team Findings: To cross reference to stakeholder meeting minutes.</p>
6	<p>Feedbacks: Community nurse – no any viral case among both local and foreign workers. FGV have own panel clinics and not so often use the community clinic facility.</p>
	<p>Management Responses: FGV have own panel clinics for all medical requirements by employees. However they are allowed to seek for any other facility in case of urgent medical requirements.</p>
	<p>Audit Team Findings: No further issue.</p>
7	<p>Feedbacks: Local & Foreign Workers – no issue in provision of housing and accommodation. PPE always provided by management. Contract agreements terms and conditions were fully explained by management.</p>
	<p>Management Responses: Workers conditions are always priority to management.</p>
	<p>Audit Team Findings: All feedbacks from workers were used as the input to the checklist.</p>

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1729409-201901-M1	Major - 4.4.5.11 (Part 4)	15/01/2019	Closed on 13/02/2019
1729409-201901-M2	Major - 4.4.4.2 (Part 4)	15/01/2019	Closed on 13/02/2019

3.6 Summary of the findings by Principles and Criteria

MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	FGV established the Group Sustainability Policy; Policy # FGV/SED/POL/001; Rev. 1.0; Effective date: 24/8/2017 for the implementation of MSPO.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy has emphasize on the commitment by FGV to continual improvement with the objective of improving the milling operation.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Internal audit conducted on 8/8/2018 by PSD personnel. CAP submitted to internal auditors on 4/9/2018. Internal auditors verified the effectiveness of CAP and all findings were addressed accordingly.	Complied
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.	As per Corrective Action Report on Non-Compliance Findings, a total of 17 findings have been highlighted by Internal Auditors. All NCs had been closed on 8/10/2018.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	Report was made available for management review in the table form "Pematuhan Cadangan Audit Dalaman Pensijilan Kelestarian 2018".	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	Latest management review conducted on 13/9/2018 as per records of minutes of meeting "FGV Minit Mesyuarat (Management Review) & Status NCR MSPO (Audit Dalaman); Bil.: #1/2018; Date: 13/9/2018; Venue: Kulai POM Meeting Room". The review included required adequacy and effectiveness of MSPO implementation for the result of internal audit, customer satisfaction, product conformance, environment compliance, safety and health, social impact, replanting and other matters.	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	Action plan for continual improvement was established as per Procedure for Continual Improvement; Doc. # ML-1A/L2-Pr7(0); Rev. # 0; Effective date: 1/6/2016. Action plans available to include the issues from social, environmental impact, safety and health and quality. The sampled plans including reduction of chemical usage, increase of FFB production, control the social impact, reduce GHG emission and recycle program.	Complied
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry	It was discussed in management review meeting to widen the usage of smartphone apps (WhatsApp) to disseminate info to everybody	Complied

Criterion / Indicator		Assessment Findings	Compliance
	standards and technology (where applicable) that are available and feasible for adoption. - Major compliance -	within FGV Kulai Complex and ultimately within whole FGV. In terms of GAP, FGVASSB Taib Andak always coordinated with HQ for any potential innovation and/or new technology to be applied in field activities. Among trial equipment including mechanized sickle (<i>Cantas</i>) and etc.	
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. - Major compliance -	Action plan to provide necessary resources to be establish upon any successful trial event of new technology and/or innovation equipment subject to approval by HQ.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	FGVASSB Bukit Besar/Taib Andak Estate has maintained records of request and response, land titles, OSH plans and etc. relating to environmental and social issues, plans for pollution prevention, complaints and grievances records that make available upon request as per	Complied
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	Management documents including the Group Sustainability Policy available publicly via FGV’s website as following: http://www.fgvholdings.com/sustainability/sustainability-governance/sustainability-policies/ .	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		Other management documents including procedures, social and environmental management plan, available upon request at individual operating units including FGVASSB Bukit Besar/Taib Andak Estate.	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	The consultation and communication procedures were established as Procedure Communication, Participation and Consultation; Doc. # FPI/L2/QOSHE-6.0; Issue # 2; Issue date: 2/1/2008; Rev. 3; Rev. date: 29/11/2016 and Doc. # ML-1A/L2-Pr12(0); Rev. 0; Effective date: 1/6/2016	Complied
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	Management official responsible nominated was Assistant Manager as per letter of appointment Dated 1/7/2018.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	The list of stakeholders were recorded in file E1.4.2 (Stakeholder) that has listed few categories of stakeholders including neighbours, internal stakeholders and external stakeholders.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	FGV has established SOP for traceability for all estate and documented in 'Manual Ladang Sawit Lestari – Mengangkut BTS ke Kilang'. Refer doc no. MLSL (Ed.3)-Sec.4 (8.0) issued on 1/9/2017.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>The SOP used sets of form to be filled by the estate to trace the origin of the FFB.</p> <ul style="list-style-type: none"> i. Labelled for lorry – Lorry no., Estate Name, Mill Name ii. FFB quality certificated – Field/Blok, Total FFB, Average Bunch Weight, Estimate weigh, date. iii. FFB dispatch note 	
4.2.3.2	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p> <p>- Major compliance -</p>	<p>FGV have established systems to monitor the implementation of the traceability systems in the mill thorough Internal Audit conducted by the Plantation Sustainability Department.</p>	Complied
4.2.3.3	<p>The management should identify and assign suitable employees to implement and maintain the traceability system.</p> <p>- Minor compliance -</p>	<p>The Estate Manager as a chairman for SCC committee at FGVASSB Kulai Besar/Taib Andak Estate as per appointment letter dated 26/6/2018 to implement and maintain the traceability system.</p>	Complied
4.2.3.4	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p>- Major compliance -</p>	<p>The estate visited maintained the records of crop sales and delivery to the mill such as:</p> <ul style="list-style-type: none"> i. FFB dispatch chit ii. Bunch count chit 	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>FGVPM has established SOP on track changes, monitoring, implementation and compliances of legal and other requirement. Refer doc. no ML-1A/L2-Pr6(0) dated 1/6/2016.</p> <p>Plantation and Sustainability Department and Manager, Asst. Manager and Supervisor/Clerk for respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p> <p>All legal requirement was documented in Register of Legal and Other Requirements (Ref doc no ML-1A/L5-AP34 pind 0).</p> <p>Compliance to each applicable law and regulation is monitored by the operating units. Sighted the sampled evidence of compliancy to the regulation at FGVASSB Bukit Besar/Taib Andak Estate as follows:</p> <ul style="list-style-type: none"> i. MPOB License. License no. 50267012000. Validity period from 1/4/2018 - 31/3/2019 ii. Permit salary deduction for electricity and water supply and additional payment for medical treatment as per letter dated 22/4/2016. Refer letter no. (22) dlm BHG.PU/9/129 Jld 23. iii. Fire extinguisher validity till 22/5/2019. 	Complied
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>All legal requirement was documented in Register of Legal and Other Requirements. Refer doc no ML-1A/L5-AP34 pind 0. The legal register was reviewed on annually basis. Latest review was conducted on 24/4/2018.</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>Plantation and Sustainability Department and Manager, Asst. Manager and Supervisor/Clerk for respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p> <p>All legal requirement was documented in Register of Legal and Other Requirements Refer doc no ML-1A/L5-AP34 pind 0. Compliance to each applicable law and regulation is monitored by the operating units. The legal register at all sites were updated on a yearly basis / as and when needed for new updates/licenses.</p> <p>Plantation and Sustainability Department conducted Internal audit for Sustainability Certification to monitor the status of legal compliance. Latest internal audit was conducted on 8/8/2018.</p>	Complied
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>Plantation and Sustainability Department and Manager, Asst. Manager and Supervisor/Clerk for respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p>	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>FGVASSB Bukit Besar/Taib Andak Estate: Documents showing legal ownership sighted in the form of Tenancy Agreement between Felda and Felda Agricultural Services Sdn. Bhd.; Date: 7/2/2018; Period: 1/1/2018 – 31/12/2018; Sighted also the Approval (<i>Kebenaran Kepada Felda Agricultural Services Sdn. Bhd. Untuk Menjalankan Operasi Di Tanah Felda</i>) Letter Ref. # (06) JPLDG1151/02-30; Dated: 18/1/2018. Original expiry date of leasing agreement 31/12/2017. Negotiation on revised price still on-going, latest meeting on leasing between Felda</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		and FGVASSB dated 20/4/2018; Minutes of meeting # 01/2018. The meeting outcome was to remain existing agreement until 31/12/2018 pending negotiated decision on the new leasing rate. Rental payment voucher # 340210168; Date: 10/4/2018 for invoice # 220753032.	
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	FELDA leased all the land directly from the government of Johor. FELDA have permitted FGV to operate Bukit Besar/Taib Andak Estate on the FELDA land as per letter dated 7/2/2018 signed by the Vice President/Chief Counsel and Senior Vice President/ Cluster Head,	Complied
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Legal boundary were clearly demarcated with fences along the boundary. The legal boundary were visibly maintain.	Complied
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There was no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder’s consultation.	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	For land dispute, there is document ‘Pengenalpastian dan Penyelesaian Pertikaian Tanah’ FGV/ML-1A/L2-Pr10 issue 1 version 0 dated 01.6.2016 if there is any land dispute occur. The objective of the procedure is to handle and monitor issue raised from local communities	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	on customary or user rights. Procedure on the compensation to the people entitled and monitoring of boundary stone was detailing in the procedure. Compensation will be paid according to basic cost/ acre and market land price. There is no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder’s consultation.	
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	There is no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder’s consultation.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There is no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder’s consultation.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	Social impact identified and plans were implemented in-line with document sighted as <i>Laporan Penilaian Impak Sosial Ladang FGVASSB Bukit Besar/Taib Andak</i> ; SIA (E6.5.3); Doc. # MSPO/RSPO 2018; FGVASSB Bukit Besar/Taib Andak 1/2018; Date: 7/8/2018 by Plantations Sustainability Department (PSD), Sustainability & Environment Department FGVH.	Complied
Criterion 4.4.2: Complaints and grievances			

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	The system established as Procedure to Handle Complaints and Grievance; Doc. # ML-1A/L2-Pr13(0); Rev. # 0; Effective date: 1/6/2016. The procedure also specify measures ensuring anonymity of complainants and whistleblowers in case being requested as per Whistleblowing Policy; Doc. # ML-1A/L1-Po18(0); Rev. 0; Effective date: 24/2/2015.	Complied
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Complaints were acted on and replied with completion date and verified. Most of the complaints were related to house repair work such as broken fan or door recorded in Complaint Book and other complaints were recorded in Permohonan Membaiki Kerosakan Rumah. The management has taken action to rectify the problems. The complainants have acknowledged after the problems been rectified.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	The information of the process by which a dispute was resolved with and its outcome were both to be documented in the Grievances/Complaints/Requests log book maintained by the Communication and Social Responsible Person (Management Official).	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Suggestion box are prepared for internal and external stakeholders. Forms are available. These are communicated through Stakeholders Consultation dated 7/8/18 (minutes sighted).	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	Internal forms and book available for 2017 and 2018 and seen during audit.	Complied

Criterion / Indicator		Assessment Findings	Compliance
- Major compliance -			
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>As per group level, FGV has launched the Malaysian Sun Bear Conservation Programme with MNS, UKM and department of wild life. The program was conducted for the protecting both endangered species of Rafflesia and Sunbear.</p> <p>Few contributions were made by FGVASSB towards local communities including employment opportunities, school donations and etc. Records sighted for the sample contributions of following:</p> <ul style="list-style-type: none"> - Contribution to Panel Penasihat Klinik Kesihatan Bukit Besar; Dated 17/12/2018 on Campaign of "Perangi Kanser Serviks, Sayangi Warga Emas" - Tawaran Pengambilan Pekerja – Kekosongan Jawatan Pekerja Am, Open Interview - Sumbangan hamper mesyuarat agung PIBG SK LKTP Bukit Besar 9/3/2018 	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>FGV has established Safety and Health Policy and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017.</p> <p>The estate has established Safety and Health Plan and reviewed on annually basis. The plan covers trainings, meetings, medical surveillance, CEM, CHRA and ERP training.</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.4.2 The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. 	<p>FGV has established Safety and Health Policy and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017. The policy was communicated through training, briefing and displayed on notice board at several placed in the estate office.</p> <p>FGV has established SOP to assess risk of all operation and documented in 'Prosedur Pengurusan KKP'. Refer doc no. FGVPM/L2/PP-01.</p> <p>The Estate has conducted risk assessment and documented Hazard Identification, Risk Assessment and Determination Control Report. The risk assessment conducted covered all main and support operation activities and reviewed at minimum once a year. Latest review was conducted in 10/4/2018. All activity with significant impact has been documented and Action Plan to Reduce risk has been established.</p> <p>The estate has established training program for employees exposed to chemicals used at the palm oil mill to ensure the continuous awareness to the employee. The training was conducted by the Manager, Asst. Manager, Safety and Health Officer and representative form the chemical suppliers to the supervisors and operators. Sighted the training as follows:</p> <ul style="list-style-type: none"> i. Spraying Safety/Standard operating procedure training dated 18/4/2018 ii. Spraying and Premixing of chemicals training dated 12/6/2018 iii. Scheduled waste training dated 10/7/2018 <p>The management has provided appropriated PPE to the employee as per HIRADC and Safety Working procedure. Noted during interview</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>with the sprayers, they have been provided with PPE such as glove, goggle, boots and apron. Sighted the PPE issuance records for sprayers. Workers ID no. 1803240052 and ID no. 1605250003.</p> <p>FGVPM has established SOP for Chemical Handling and documented in the Safety Operating Procedure, Chemical Handling. Refer doc no. FPI-PK-036, issue no. 3 dated 14/7/2018.</p> <p>Management has appointed the Asst. Manager in charge as the Chairman of Safety, health and Environmental committee. The manager has appointed employer and employee representative in the SHE Committee. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the SHE committee meeting.</p> <p>FGVASSB Bukit Besar/Taib Andak Estate management has conducted OSH committee meeting on quarterly basis. In the meeting discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, HIRADC, CHRA, workstation inspection, safety and health training and etc. Sighted the minutes meeting for OSH committee dated 26/6/2018, 14/9/2018 and 24/12/2018.</p> <p>FGVPM has established in OSH Management Procedure – Emergency Preparedness and Response. Ref doc no. FGVPM/L2/PP-08. The estate has established Emergency Response Team. Latest ERP training was conducted on 12/7/2018</p> <p>First aider present at various work station at the mill. The first aider responsible for first aid box at each workstation. During interview with the mandore shows the understanding the usage of First Aid Kit. Monitoring on inventory of the items in First Aid Box was conducted on monthly basis. Sighted the checklist of monitoring records for the</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>month of August, October and December 2018. Latest First aid training was conducted on 23/4/2018.</p> <p>FGVASSB Bukit Besar/Taib Andak Estate management kept the accident records and reviewed on quarterly basis during OSH committee meeting. Sighted accident investigation records for worker, ID no. 2100674 with 7 days LTA. JKPP 6 was submitted on 22/4/2018. Annually, the mill submitted the JKPP form 8 to DOSH. Latest JKPP 8 for 2017 was submitted on 19/1/2018.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Polisi, Clause 8.7 - Human Rights (FGV/SED/POL/001, Dated 24/8/2017, Revision: 0.0). FGV is committed and support human rights.</p> <p>Briefing of the policy was conducted on 2/9/2017 at the estate. The policy also was publicly displayed at the office area.</p>	Complied
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24/08/2017 under 8.9 Responsible Employment. FGV Group also firmly supports the provision of equal opportunity to all and shall seek to ensure that all employees and applicants for employment should receive fair treatment and shall not engage in or support discrimination based on race, nationality, religion, disability, gender, age, sexual orientation, union membership or political affiliation.</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.5.3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Employment Process Based Procedure "Manual Pengurusan Tenaga Kerja Ladang Felda Global Ventures Holding; Doc. # FGV/JTK/POL/001; Rev. 0; Effective date: 1/3/2017.</p> <p>All work agreements were according to the <i>Felda Agricultural Services Sdn. Bhd. Ladang Stesen-stesen Penyelidikan; Kadar Upah Kerja (KUK); Pekerja Operasi Ladang KUK Bil 01/2016 FGVASSB; Berkuatkuasa Mulai 1/7/2016 as per letter Panduan Kadar Upah Gaji Minima; Bil (05) 820105004/01-01/2016; 16/6/2016</i> by General Manager FGVASSB. Documentation of pay and conditions sighted available as per following samples:</p> <ul style="list-style-type: none"> - Employee # 2102119; Work station: Mandore; Date joined: 1/8/2011; Nationality: Indonesia - Employee # 1605250002; Work station: Field Upkeep; Date joined: 25/5/2016; Nationality: Indonesia - Employee # 1605250003; Work station: Field Upkeep; Date joined: 25/5/2016; Nationality: Indonesia - Employee # 1711220040; Work station: Harvester; Date joined: 22/11/2017; Nationality: Bangladesh - Employee # 1805050050; Work station: Field Upkeep; Date joined: 5/5/2018; Nationality: Bangladesh 	<p>Complied</p>
<p>4.4.5.4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>There was no employee of contractor engaged at FGVASSB Bukit Besar/Taib Andak Estate except for transportation of FFB. However references were made for any as per MAPA Circular No. 44/2018; Date: 29/11/2018 which referring to the Minimum Wages Order (Amendment) 2018 that would come into operation on 1/1/2019.</p>	<p>Complied</p>

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.5.5</p> <p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>Records of basic employee information (name, gender, date of birth, date join) available as following:</p> <ul style="list-style-type: none"> - Senarai TKL Pada Disember 2018 Stesen Penyelidikan Bukit Besar - Senarai Nama Petugas Am FASSB Bukit Besar; update: 7/1/2019 - Senarai Nama Kakitangan FASSB Bukit Besar; update: 7/1/2019 	<p>Complied</p>
<p>4.4.5.6</p> <p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>All work agreements were according to the <i>Felda Agricultural Services Sdn. Bhd. Ladang Stesen-stesen Penyelidikan; Kadar Upah Kerja (KUK); Pekerja Operasi Ladang KUK Bil 01/2016 FGVASSB; Berkuatkuasa Mulai 1/7/2016 as per letter Panduan Kadar Upah Gaji Minima; Bil (05) 820105004/01-01/2016; 16/6/2016</i> by General Manager FGVASSB</p> <p>For extension of contracts of foreign workers, <i>Borang Kebenaran Bagi Pennyambungan Permit/Penamatan Kontrak TKL; SOP # UTK-SOP-BSP/TK; Rev. 0; Effective date: 21/11/2014</i> was in used.</p> <p>All foreign workers were briefed on their contracts as per sample <i>Latihan Kepada Pekerja; Taklimat Penerangan Kontrak Kerja Dan Kadar Upah; Date: 11/6/2018; Ladang Sawit FGVASSB Bukit Besar/Taib Andak Estate.</i></p> <p>Effective from 1/1/2019, all workers' wages payment are based on the latest circular of "Panduan Kadar Upah Kerja (KUK) Pekerja Operasi Ladang – KUK 03/2019 FASSB"; Ref. # (02) 820205101/01/23-18; Date: 7/12/2018 which is in line with the latest Minimum Wages Order (Amendment) 2018; P.U. (A) 305; 28/11/2018. The payslip for the previous year shown workers received the minimum wages as per</p>	<p>Complied</p>

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>previous KUK which is in line with the previous requirements as per following samples:</p> <ul style="list-style-type: none"> - Employee ID # 1605250001; Unit: Seedling; Date join: 25/5/2016; Nationality: Indonesia - Employee ID # 1605250002; Unit: Estate; Date join: 25/5/2016; Nationality: Indonesia - Employee ID # 1711220041; Unit: Estate; Date of join: 21/12/2017; Nationality: Bangladesh - Employee ID # 1711220040; Unit: Estate; Date of join: 21/12/2017; Nationality: Bangladesh 	
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>Working hours is using punch card mechanism and explained by interviewed employees. Punch time shows time in and out and used to calculate working hours including overtime. No overtime more than limit of 104 hours/month.</p>	Complied
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>Overtime is agreed with employee and does not exceed 104 hours. Employees are clear with working hours. They also understand maximum overtime and overtime calculation.</p>	Complied
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p>	<p>Salary, deductions and overtime is clear in the salary slip. Interview with workers shows they understand the salary and overtime calculations.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	Other incentives eg: housing facilities and panel clinic (besides government clinic) were provided to employees.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major 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 nearby town of Kulai and Bandar Tenggara. 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
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24/08/2017 and Sexual Harassment, Violence and Reproductive Rights Policy with Doc. No. ML-1A/L1-Po10(0) dated 1/6/2014. The company is committed to protect the rights of women on the reproductive and family planning. Discrimination is not allowed in the company. Briefing of the policy was conducted in series. Besides, the policy was publicly displayed at the office area. Interviewed with the female employees found that they were aware of the function of Gender Committee and all the policies.	Complied
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in	Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24/08/2017 under 8.13, freedom of voicing and form a union. The policy has been	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>briefed to workers on 28/07/2018. During the interview with workers, it was confirmed that workers aware on the worker’s union and freely to form or join them.</p>	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Minimum age of employment was above 18 years for FGVASSB Bukit Besar/Taib Andak Estate. Verified list of current employees as per January 19 shows no employee below 18 years.</p>	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Estate has established the annual training programme FY 2018 and documented in Safety, health and Environmental Program FY 2018. The plan cover training for Safety and Health, Environmental, Emergency Procedure, SOP and etc.</p> <p>Training records for each workers has been maintained for references and available for review. Sighted sampled training records as follows:</p> <p>i. HCV management, RTE and Wildlife protection Act briefing dated 13/9/2018</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		ii. Emergency Response Procedure training dated 12/7/2018 iii. RSPO/MSPO awareness training dated 9/7/201	
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	The estates visited has established the training program for the estate executive, workers and contractors base on training need analysis conducted. The training need analysis was documented in Training Needs Census.	Complied
4.4.6.3	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. - Minor compliance -	The estates visited has training program which updated annually based on training need analysis. The training identified were programmed throughout the year.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	FGVPM has established Environmental and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017. The policy was communicated through training, briefing and displayed on notice board at several placed in the estate.	Complied
4.5.1.2	The environmental management plan shall cover the following:	The estate has conducted aspects and impacts analysis and was reviewed on annually basis. Latest review was conducted on	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance -	20/5/2018. The estate has identified significant aspects and established environmental management plan to mitigate the impacts.	
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	Estate has established EAI Management Plan and documented in Environmental Aspect Impact through Plantation, Waste and Pollution Report, Scheduled 4.2 and 4.3 dated 20/5/2018. In the management plan stated the impact, root cause, action plan, person responsible and time plan. Sighted the implementation of the management plan as follows: i. Triple rinsing training conducted on 20/8/2018 ii. Scheduled waste management training was conducted on 10/7/2018 iii. Disposal records of empty pesticides container. Refer official receipt no 5282 dated 26/5/2018 to recycle company Abdul Wahid Rabu.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	The program to promote activities with positive impacts was included in continual improvement plan. Sighted the implementation of the plan as follows: i. Increase the number of beneficial plant. In 2018, the estate has planted 60 beneficial plant compared to target at 200 plant. ii. EFB application at the field. In 2018, 90.12 ton EFB applied in the estate.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance						
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. - Major compliance -	The estate management has established annual training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers. Sighted the training conducted to ensure the employee awareness as follows: i. RSPO awareness training dated 23/1/2018 ii. RSPO, HCV and RTE awareness training dated 25/1/2018 iii. Safety and Environment policy training dated 7/2/2018 iv. Triple rinsing training dated 20/8/2018 v. HCV briefing dated 13/9/2018	Complied						
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	The management has discussed with the employee regarding environmental quality during Safety, Health and Environmental committee meeting and toolbox briefing.	Complied						
Criterion 4.5.2: Efficiency of energy use and use of renewable energy									
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	The estate has established baseline for consumption of non-renewable energy at base on annual budget and monitored on monthly basis. Sighted the records of Diesel consumption per FFB processed FY 2018 as follows: <table border="1"> <thead> <tr> <th>Month</th> <th>2018</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>1.29</td> </tr> <tr> <td>Feb</td> <td>0.94</td> </tr> </tbody> </table>	Month	2018	Jan	1.29	Feb	0.94	Complied
Month	2018								
Jan	1.29								
Feb	0.94								

Criterion / Indicator		Assessment Findings		Compliance
		Mar	2.22	
		Apr	1.92	
		May	1.45	
		Jun	0.65	
		July	0.35	
		Aug	0.29	
		Sep	0.31	
		Oct	0.24	
		Nov	0.27	
		Dec	0.24	
		AVERAGE	0.66	
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	Estimation of direct usage of non-renewable energy was determine in annual budget.		Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No renewable energy used in the estate.		Not applicable
Criterion 4.5.3: Waste management and disposal				

Criterion / Indicator		Assessment Findings	Compliance						
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>Estate has identified waste products and sources of pollution and documented in Environmental Aspect Impact through Plantation, Waste and Pollution Report. Waste identified as follows:</p> <ul style="list-style-type: none"> i. Empty Fertiliser bags ii. Paper, plastic, Glass. Scrap iron, boxes and woods iii. Used PPE iv. Used Tyre v. Empty Pesticides Container vi. Domestic Waste 	Complied						
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <ul style="list-style-type: none"> a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products <p>- Major compliance -</p>	<p>Estate has established waste and pollution management plan and documented Environmental Aspect Impact through Plantation, Waste and Pollution Report.</p> <p>Observed the implementation of the management plan as follows:</p> <ul style="list-style-type: none"> i. Sighted records for recycle paper send to recycle collection centre as follows: <table border="1" data-bbox="1193 1091 1574 1214"> <thead> <tr> <th>Date</th> <th>KG</th> </tr> </thead> <tbody> <tr> <td>24/5/2018</td> <td>4.0</td> </tr> <tr> <td>27/7/2018</td> <td>1.5</td> </tr> </tbody> </table> ii. Records of landfill monitoring for the month of August and September 2018. 	Date	KG	24/5/2018	4.0	27/7/2018	1.5	Complied
Date	KG								
24/5/2018	4.0								
27/7/2018	1.5								

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
<p>4.5.3.3</p>	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>SOP for handling scheduled wastes has been established entitled Waste Management. Ref doc no. FGVP/M/L3/PK-05 in order to comply with the Environmental Quality Regulations (Scheduled Waste) 2005.</p> <p>The estate conducted repairs and service of all the vehicle and machineries by outside contractors. All waste generated was disposed by the appointed contractors, Sime Darby Industrial Sdn. Bhd. Refer letter approval by DOE no. AS (BB) 91/110/619/161 jilid 14 (69) dated 6/9/2011.</p> <p>All scheduled were send to central collection unit at PPTR as per approval letter by DOE dated 9/8/2016. Refer letter no. (BB)91/110/619/161. Sighted the delivery note from FGVAS Bukit Besar to PPTR dated 4/7/2018. Sighted the copy of Notification of Scheduled waste from PPTR.</p>	<p>Complied</p>
<p>4.5.3.4</p>	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Estate has kept the empty container in designated storage. All empty container has been triple rinsed before storage and categorized as non-scheduled waste/recycled waste. Sighted the triple rinsed record from Jan-Aug 2018. Noted the disposal records of empty pesticides container. Sighted Invoice no P1002829 dated 20/9/2018 to LSH Recycle Enterprise.</p>	<p>Complied</p>
<p>4.5.3.5</p>	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Domestic waste were collected 3 times a week and disposed at designated landfill area. Noted during site visit only domestic waste disposed in the landfill. Sighted the domestic waste collection record book.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	The estate has conducted aspects and impacts analysis and was reviewed on annually basis. Latest review was conducted on 20/5/2018. The estate has identified significant aspects and established environmental management plan to mitigate the impacts Estate has established EAI Management Plan and documented in Environmental Aspect Impact through Plantation, Waste and Pollution Report, Scheduled 4.2 and 4.3 dated 20/5/2018. In the management plan stated the impact, root cause, action plan, person responsible and time plan.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The estate has established management plan to mitigate the identified significant pollutants and emission and documented in the Environmental Management plan and Continuous Improvement plan. Sighted the implementation as follows: i. Triple rinsing training conducted on 20/8/2018 ii. Scheduled waste management training was conducted on 10/7/2018 iii. Disposal records of empty pesticides container. Refer official receipt no 5282 dated 26/5/2018 to recycle company Abdul Wahid Rabu.	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources	FGVPM has established procedure to identify river buffer zone and documented in Sustainable Palm Oil Manual Procedure. Refer document no ML-1A/L2-Pr8(0) as follows:	Complied

Criterion / Indicator		Assessment Findings		Compliance											
	<p>(surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. <p>- Major compliance -</p>	<table border="1"> <thead> <tr> <th>River Width</th> <th>Buffer Zone (m)</th> </tr> </thead> <tbody> <tr> <td>>40</td> <td>50</td> </tr> <tr> <td>>20 – 40</td> <td>40</td> </tr> <tr> <td>>10 – 20</td> <td>20</td> </tr> <tr> <td>>5 - 10</td> <td>10</td> </tr> <tr> <td>1-5</td> <td>5</td> </tr> </tbody> </table> <p>Estate has established Water Management Plan for FY 2018/19. The plan focusing on water shortage, water contamination, and keeping soil moisture. In the plan stated the root cause, mitigation plan and Person In Charge for each plan programmed.</p> <p>Sighted the implementation of the plan as follows:</p> <ul style="list-style-type: none"> i. Buffer zone has been demarcated with concrete pole. No evidence of chemical application activities along the buffer zone. ii. Pesticides water analysis for 2018 dated 12/7/2018. Refer certificate no 217/2018W. Result conforms to NWQI – Class 3. 	River Width	Buffer Zone (m)	>40	50	>20 – 40	40	>10 – 20	20	>5 - 10	10	1-5	5	
River Width	Buffer Zone (m)														
>40	50														
>20 – 40	40														
>10 – 20	20														
>5 - 10	10														
1-5	5														
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	<p>No river passing through the estate. The nearest waterways was located outside the estate boundary.</p>	Complied												

Criterion / Indicator		Assessment Findings	Compliance
4.5.5.3	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). - Minor compliance -	Estate visited has implemented water harvesting in the estate. Such as directing water from road side drain into the field. For planting at hilly area, the estate has constructed conservation terrace and plant cover crop to conserve water and prevent land erosion.	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. - Major compliance -	Estate has conducted HCV assessment and documented in High Conservation Value and Biodiversity Report dated 13/9/2018. No HCV identified during the assessment.	Complied
4.5.6.2	If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include: a) Ensuring that any legal requirements relating to the protection of the species are met.	No HCV identified during the assessment as per report dated 13/9/2018. Staff and workers were given briefing on company policies that prohibit disturbance of designated protected areas. The policy has displayed on notice board at several strategic places. Sighted the training records	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	<p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>for HCV Management, RTE and Wildlife Protection Act conducted on 13/9/2018.</p> <p>Signage were maintained at the entrance to the estates prohibiting illegal hunting, fishing and the use of fire.</p> <p>No HCV and RTE species identified during the assessment as per report dated 13/9/2018.</p> <p>The estate maintained animal sighting records. Sighted animal sighting records for the month of March and Jun 2018.</p>	
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>No HCV and RTE species identified during the assessment as per report dated 13/9/2018.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p> <p>- Major compliance -</p>	<p>FGVPM has established Prohibition of Open Burning policy during replanting and documented in Group Sustainability Policy dated 24/8/2017. Ref doc no. FGV/SED/POL/001.</p>	Complied
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p> <p>- Major compliance -</p>	<p>No open burning as per Group Sustainability Policy</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	No open burning as per Group Sustainability Policy	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	The previous crop were felled or mowed down, chipped and shredded and windrowed as per 'Manual Ladang Sawit Lestari'. Ref doc. No MLSL (Ed.2) – Sec.2 (6.0) dated 1/6/2012.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Estate holds three SOP and documented in Plantation Sustainability and Quality Management, Sustainable Palm Oil Manual Procedure and Occupational Safety, Health and Environmental Manual Sighted the latest review in Sustainability Palm Oil Manual on procedure for competency, awareness and training dated 1/6/2016.	Complied
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	FGV has established policy regarding oil palm grown within permitted levels on sloping land and documented Conservation of Sloping Land and river reserve Policy Signed by the CEO on 20/11/2017.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance												
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Field references were identified by year of planting. Signboard were erected and palms at the entrance of each field were painted with the field identification.	Complied												
Criterion 4.6.2: Economic and financial viability plan															
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	The estate has continued its commitment to long term sustainability and improvements through a capital expenditure program. The management has forecasted 3 years business plan from 2019 – 2021 as guidance for the estate daily operation. In the forecast stated the forecast maintenance cost, harvesting, general expenditure and etc.	Complied												
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	No replanting programme for FGVASSB Taib Andak. Current stand was planted in 2014. Replanting will be done for palm age at 25 years and above as per FGV Replanting Policy dated 1/6/2014 signed by the CEO	Complied												
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast	The estate has an annual operating budget for the calendar year 2018 and 3 years’ projections (2019 - 2022) for production and budget from year 2018 to year 2021. The plan includes crop cost of production (COP) and yield per ha. Sighted the sampled of the business plan as follows: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Crop</td> <td>20</td> <td>24</td> </tr> <tr> <td>COP</td> <td>147.43</td> <td>146.44</td> </tr> <tr> <td>Estimate FFB price</td> <td>450</td> <td>450</td> </tr> </tbody> </table>		2020	2021	Crop	20	24	COP	147.43	146.44	Estimate FFB price	450	450	Complied
	2020	2021													
Crop	20	24													
COP	147.43	146.44													
Estimate FFB price	450	450													

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	e) e) Financial indicators : cost benefit, discounted cash flow, return on investment - Major compliance -		
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	The estates performance is recorded in the e-RML system on daily basis. Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein.	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Pricing mechanisms for any products and/or services were based on quotations provided potential vendors and/or contractors which were being analyzed and negotiated prior to the agreements of winning bidder with company.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Based on sample " <i>Sjil Bayaran Kontrek</i> " (Contract payment certificate); Cert. # 11/2018 (NOVEMBER 2018); Contract # 820105501-17/820230101-11-173; Contract Period: 1/1 – 31/12/2018 for the FFB Transport contract.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Effective from 2019, any new engagement of contractor are required to sign an agreement to comply with MSPO requirements as per sighted sample of new contract (extension) of contractor: Ahmad Bin Hashim (FFB Transporter) as per <i>Surat Perintah Kerja (SPK)</i> Work Order # 820105001-18/820230101-12-213; Date: 26/12/2018. The	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		contractor signed the "Surat Persetujuan (E6.4.1)" provided by the management contained the information of MSPO requirements. Interviewed contractors acknowledge the awareness and understanding of MSPO.	
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Agreed contracts with contractor evidence were provided by the management as per indicator 4.6.4.1 above.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	FGVASSB Bukit Besar/Taib Andak Estate agreed for BSI auditors to verify the assessment through a physical inspection if required.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	Verification of jobs done was carried out by Estate Assistant and daily job recording was available.	Complied
4.7 Principle 7: Development of new planting			
Not applicable since there is no new planting at Kulai Palm Oil Mill Certification Unit			

MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	FGV established the Group Sustainability Policy; Policy # FGV/SED/POL/001; Rev. 1.0; Effective date: 24/8/2017 for the implementation of MSPO.	Complied
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	The policy was emphasize on the improvement economic, environment and social and improve milling productivity.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Internal audit was planned as per Internal Audit Procedure; Doc. # ML-1A/L2-Pr11(0); Rev. 0; Effective date: 1/6/2016 and conducted from 8-9/8/2018	Complied
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	Established as FGV Internal Audit Procedure; Doc. # ML-1A/L2-Pr11(0); Rev. 0; Effective date: 1/6/2016. Identified findings recorded in Sustainability Audit Non-Compliance Findings and Recommendations form as per sighted for the latest audit conducted on 8-9/8/2018. Sighted the Corrective Action Report on Non-compliance Findings on the analysis of nonconformity raised.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	Report made available for review in the management review meeting and recorded in the minutes under " <i>Keputusan Audit Dalaman (NCR) MSPO 2018</i> ".	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	Latest management review conducted on 13/9/2018 as per records of minutes of meeting " <i>FGV Minit Mesyuarat (Management Review) & Status NCR MSPO (Audit Dalaman); Bil.: #1/2018; Date: 13/9/2018; Venue: Kulai POM Meeting Room</i> ".	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	Action plan for continual improvement was established as per Procedure for Continual Improvement; Doc. # ML-1A/L2-Pr7(0); Rev. # 0; Effective date: 1/6/2016. Action plans available to include the issues from social, environmental impact, safety and health and quality. The sampled plans including reduce diesel consumption, BOD level at final discharge below 50 ppm, increase OER and KER and zero accident for 2019.	Complied
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Any new information is updated to employees through morning briefings, memo, meetings, station training. The latest technology that has been plan by the mill was to install dust collector. The letter from FGV to DOE was sighted.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. - Major compliance -	Kulai POM has maintained records of request and response, land titles, OSH plans and etc. relating to environmental and social issues, plans for pollution prevention, complaints and grievances records that make available upon request as per	Complied
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	Management documents including the Group Sustainability Policy available publicly via FGV's website as following: http://www.fgvholdings.com/sustainability/sustainability-governance/sustainability-policies/ . Other management documents including procedures, social and environmental management plan, available upon request at individual operating units including FGV Kulai POM.	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	The consultation and communication procedures were established as Procedure Communication, Participation and Consultation; Doc. # FPI/L2/QOSHE-6.0; Issue # 2; Issue date: 2/1/2008; Rev. 3; Rev. date: 29/11/2016 and Doc. # ML-1A/L2-Pr12(0); Rev. 0; Effective date: 1/6/2016.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.2.2.2	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - Minor compliance -	Management official responsible nominated was Suzinorliani Samsudin, Admin Clerk of Kulai POM as per letter of appointment Ref. # (3)840/4004/KL/1.6; Dated 10/8/2018.	Complied
4.2.2.3	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - Major compliance -	The list of stakeholders were recorded in file E1.4.2 (Stakeholder) that has listed few categories of stakeholders including neighbours, internal stakeholders and external stakeholders.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	FGVPISB adapting RSPO SCC for its MSPO SCC. Procedure namely Standard Operating Procedure For Mill RSPO SCC; Doc. # FGPM-RSPO SCC; Issue # 3.0; Distribution date: 11/6/2018 was established by Certification & Due Diligence, Sustainability & Environmental of Felda Global Ventures Holding (FGVH) which covered responsibility, reporting of certified CPO/PK, non-conformance material, FFB delivery Plantation to Mill, CPO/PK delivery Mill to customer, Record keeping, Training, Complaint Communication and Claim.	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	FGV have established systems to monitor the implementation of the traceability systems in the mill thorough Internal Audit conducted by the Plantation Sustainability Department. Latest Internal audit was conducted on 23/5/2018.	Complied
4.2.3.3	The management shall identify and assign suitable employees to implement and maintain the traceability system.	Identified as Organization RSPO SCC Supervising System Committee.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>Role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements was describe in the Procedure for Mill RSPO SCC; Doc. # FGPM-RSPO SCC (Mass Balance); Issue # 3.0; Distribution date: 11/6/2018.</p> <p>The Mill Manager as a chairman for SCC committee at Kulai POM assisted by 2 Assistant Mill Managers. Sighted the letter ref. # (01) RSPO/SCC; Dated 26/6/2018 for appointment as Supply Chain Certification Committee of Assistant Mill Manager, Weighbridge Clerk, Operation Supervisor, Lab Analyst, FFB Grader and Security Guards.</p> <p>The job descriptions were identified in the procedure accordingly.</p>	
4.2.3.4	<p>Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.</p> <p>- Major compliance -</p>	<p>Records of storage, sales, delivery or transportation of crude palm oil and palm kernel are maintained in various forms such as:</p> <ul style="list-style-type: none"> • Mass Balance Worksheet – monthly input • Local Sales Delivery Advice (LSDA) • Incoming FFB Records • Outgoing CPO Records • Outgoing PK Records 	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.3.1.1</p> <p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>FGVPISB has established SOP on track changes, monitoring, implementation and compliances of legal and other requirement. Refer doc. no ML-1A/L2-Pr6 (0) dated 1/6/2016.</p> <p>Plantation and Sustainability Department and Manager and Asst. Manager for respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement. To monitor the status of legal compliance, the management has appointed the Admin and Finance General Clerk as per Job Description. Refer doc no. FPI/L4/JD/KP/K Pind.1.</p> <p>All legal requirement was documented in Register of Legal and Other Requirements (Ref doc no FPI/L4/QOSHE-2.1 Pind. 0) and List of compliance license/permit/legal requirement.</p> <p>Compliance to each applicable law and regulation is monitored by the operating units. Sighted the sampled evidence of compliancy to the regulation as follows:</p> <ul style="list-style-type: none"> i. MPOB License. License no. 500161004000. For processing 172800 ton FFB. Validity period from 1/4/2018 -1 31/3/2019. ii. DOE's 'Jadual Pematuhan'. License no. 004683. Validity period from 1/7/2018 – 30/6/2019. Notification letter to DOE on Desludging of POME pond no. 3 and 4 as per letter dated 18/9/2019. Refer letter no. (7)840A/4004/KL/1PT.5/2018. Approval letter from DOE dated 2/10/2018. Refer letter no. AS (B) J31/152/000/065 Jilid 13(22). iii. Purchasing of diesel. Ref. no. KPDNKK.J-JB/26/5A/11/1101 (P/D) (P10) for 21840 liter. Validity period from 14/5/2018 – 13/5/2019. 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>Competence person license</p> <p>i. Authorised Entrant and Standby Person for Confined Space, Serial no. NW-NCC-AE-R-1610-D, NW-NCC-AE-R-1610-D. Validity period till 22/5/2020.</p> <p>ii. CePSWaM – Cert no. CePSWaM/16073</p> <p>iii. CePPOMETS – Asst. Manager has attend the training dated 10-14/12/2018. The results yet to receive by the mill.</p>	
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>FGVPM has established SOP on track changes, monitoring, implementation and compliances of legal and other requirement. Refer doc. no ML-1A/L2-Pr6 (0) dated 1/6/2016.</p> <p>All legal requirement was documented in Register of Legal and Other Requirements (Ref doc no ML-1A/L5-AP1 pind 0) and List of compliance license/permit/legal requirement.</p>	Complied
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>All legal requirement was documented in Register of Legal and Other Requirements (Ref doc no ML-1A/L5-AP1 pind 0) and List of compliance license/permit/legal requirement.</p> <p>Compliance to each applicable law and regulation is monitored by the operating units. The legal register at all sites were updated on a yearly basis / as and when needed for new updates/licenses.</p>	Complied
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>Plantation and Sustainability Department and Manager and Asst. Manager for respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Plantation and Sustainability Department conducted</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Internal audit for Sustainability Certification to monitor the status of legal compliance.	
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	FGV did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes. Documents showing legal ownership sighted in the form of Agreement between Felda and Felda Palm Industries Sdn. Bhd.; Scheme: Felda Taib Andak; Date: 25/11/1996; License to occupy a portion of land approximately 13.09ha; Period: 1/1/1994 – 31/12/2023 (30 years).	Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - Major compliance -	FELDA leased all the land directly from the government of Johor. FELDA have permitted FGV to operate Kulai POM on the FELDA land as per letter dated 25/11/1996 signed by the Managing Director and General Manager.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Legal boundary were clearly demarcated with fences along the boundary. The legal boundary were visibly maintain.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There was no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder’s consultation.	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	For land dispute, there is document 'Pengenalpastian dan Penyelesaian Pertikaian Tanah' FGV/ML-1A/L2-Pr10 issue 1 version 0 dated 01/6/2016 if there is any land dispute occur. The objective of the procedure is to handle and monitor issue raised from local communities on customary or user rights. Procedure on the compensation to the people entitled and monitoring of boundary stone was detailing in the procedure. Compensation will be paid according to basic cost/ acre and market land price. There is no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder's consultation.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	There is no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder's consultation.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	There is no land dispute in the certification unit and supply base at the time of audit. Verified the information through the land titles and during stakeholder's consultation.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.1.1	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.</p> <p>- Minor compliance -</p>	<p>Social impact identified and plans were implemented in-line with document sighted as Laporan Penilaian Impak Sosial KS Kulai; Doc. # RSPO/MSPO 2018; KS Kulai; 1/2018; Date: 9/8/2019 by Plantations Sustainability Department (PSD), Sustainability & Environment Department FGVH.</p>	Complied
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>The system established as Procedure to Handle Complaints and Grievance; Doc. # ML-1A/L2-Pr13(0); Rev. # 0; Effective date: 1/6/2016. The procedure also specify measures ensuring anonymity of complainants and whistleblowers in case being requested as per Whistleblowing Policy; Doc. # ML-1A/L1-Po18(0); Rev. 0; Effective date: 24/2/2015.</p>	Complied
4.4.2.2	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p>- Major compliance -</p>	<p>Complaints were acted on and replied with completion date and verified. Most of the complaints were related to house repair work such as broken fan or door recorded in Complaint Book and other complaints were recorded in Permohonan Membaiki Kerosakan Rumah. The management has taken action to rectify the problems. The complainants have acknowledged after the problems been rectified.</p>	Complied
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.</p> <p>- Minor compliance -</p>	<p>The information of the process by which a dispute was resolved with and its outcome were both to be documented in the Grievances/Complaints/Requests log book maintained by the Communication and Social Responsible Person (Management Official).</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.4	<p>Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.</p> <p>- Minor compliance -</p>	<p>Suggestion box are prepared for internal and external stakeholders. Forms are available. These are communicated through Stakeholders Consultation dated 7/8/18 (minutes sighted).</p>	Complied
4.4.2.5	<p>Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.</p> <p>- Major compliance -</p>	<p>Internal forms and book available for 2017 and 2018 and seen during audit.</p>	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.</p> <p>- Minor compliance -</p>	<p>As per group level, FGV has launched the Malaysian Sun Bear Conservation Programme with MNS, UKM and department of wild life. The program was conducted for the protecting both endangered species of Rafflesia and Sunbear.</p> <p>Few contributions were made by FGVPISB towards local communities including employment opportunities, school donations and etc. Records sighted for the sample contributions of following:</p> <ul style="list-style-type: none"> - CSR lunch with SAJ dated 12/5/2018 - CSR lunch with BAKAJ dated 11/6/2018 - CSR donation to Felda Taib Andak dated 1/7/2018 	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and</p>	<p>FGVPM has established Safety and Health Policy and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017.</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>		
<p>4.4.4.2 The occupational safety and health plan should cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ul style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. 	<p>FGVPM has established Safety and Health Policy and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017. The policy was communicated through training, briefing and displayed on notice board at several placed in the mill.</p> <p>FGV has established SOP to assess risk of all operation. Refer doc no FPI/L2/QOSHE-1.0 rev. 7 dated 8/6/2018. The mill has conducted risk assessment and documented Hazard Identification, Risk Assessment and Determination Control. Ref form no. FPI/L4/QOSHE-1.4 Pind. 2. Latest review was conducted on 1/7/2018.</p> <p>During document review, it was noted that the HIRADC has not covered all activity/ work station/ storage/ disposal area. During site visit at scrap iron storage area, it was sighted that pieces of scrap iron were lying on the ground. It create unsafe working condition.</p> <p>Thus NC were raised. Refer NC no. 1729409-201901-M2.</p> <p>The mill has established training program for employees exposed to chemicals used at the palm oil mill to ensure the continuous awareness to the employee. The training was conducted by the Manager, Asst. Manager, Safety and Health Officer and representative form the chemical suppliers to the supervisors and</p>	<p style="text-align: center;">Major noncompliance</p>

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept ant the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>operators. Latest chemical Handling and spillage control Training was conducted on 20/8/2018.</p> <p>Sighted during site visit, safety data sheet for all chemicals were available at the chemical store and lubricant store.</p> <p>The mil provided appropriate PPE to all workers according to the job type as per HIRARC and Safety Working Procedure. Sighted during site visit at the boiler room, the workers were provided with PPE such as leather gloves, safety helmets c/w protective mask, fire proof apron and safety boots. The PPE issuance records was done by workers to monitor the usage of PPE. Sighted at the PPE issuance records for workshop, laboratory and general workers.</p> <p>FGVPM has established SOP for Chemical Handling and documented in the Safety Operating Procedure, Chemical Handling. Refer doc no. FPI-PK-036, issue no. 3 dated 14/7/2018.</p> <p>FGVPM has appointed the Mill Manager as the Chairman and Asst. Manager as Secretary of the OSH Committee as per letter signed by the General Manager. The manager has appointed employer and employee representative in the OSH Committee. Latest appointment as OSH Committee was done in January 2019 as per letter dated 1/1/2019 signed by the Mill Manager. Refer letter no. (157) 4004/KL/1 pt. 4. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the OSH committee meeting.</p> <p>The management conducted OSH committee meeting on quarterly basis. In the meeting discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, HIRADC, workstation inspection, safety and health training and etc.</p>	

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Sighted the minutes meeting for OSH committee dated 20/8/2018, 30/5/2018 and 19/3/2018.</p> <p>FGVPM has established in Procedure Manual, QOSHE Management – Emergency Preparedness and Response. Ref doc no. FPI/L2/QOSHE-14.0. Noted during interview with workshop fitters and boiler man, it was noted that the understanding of the response plan was adequate.</p> <p>Latest fire drill was conducted on 3/12/2018 with evacuation time at 5 minutes.</p> <p>First aider present at various work station at the mill. The first aider responsible for first aid box at each workstation. During the interview with the boiler man and lab attendant, shows the awareness regarding the emergency procedure if accident occur, person responsible of every first aid box and the location of the nearest first aid box. The latest first aid training was conducted on 5-6/9/2018. Noted site visit, the inventory and monitoring of first aid kit were adequate and the record were available for review.</p> <p>The mill kept the accident records and reviewed on quarterly basis during OSH committee meeting. The mill has also brief the accident cases at the mill and other mills in the group to the workers during the muster call to increase the workers awareness. Annually, the mill submitted the JKKP form 8 to DOSH. Latest JKKP 8 for 2017 was submitted on 16/1/2018.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy	Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Polisi, Clause 8.7 - Human Rights	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	shall be signed by the top management and communicated to the employees. - Major compliance -	(FGV/SED/POL/001, Dated 24/8/2017, Revision: 0.0). FGV is committed and support human rights. Briefing of the policy was conducted on 2/9/2017 at the mill. The policy also was publicly displayed at the office area.	
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	Felda Global Ventures Plantations (M) Sdn Bhd has Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24/08/2017 under 8.9 Responsible Employment. FGV Group also firmly supports the provision of equal opportunity to all and shall seek to ensure that all employees and applicants for employment should receive fair treatment and shall not engage in or support discrimination based on race, nationality, religion, disability, gender, age, sexual orientation, union membership or political affiliation.	Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	Employment Process Based Procedure "Manual Pengurusan Tenaga Kerja Ladang Felda Global Ventures Holding; Doc. # FGV/JTK/POL/001; Rev. 0; Effective date: 1/3/2017. All work agreements were according to the Perjanjian Bersama Antara Felda Palm Industries Sdn. Bhd. Dengan Kesatuan Pekerja-Pekerja Felda Palm Industries Sdn. Bhd. Semenanjung; 1/1/2016 – 31/12/2018; Collective agreement COG # 016/2016. Documentation of pay and conditions sighted available as per following samples: - Employee # 1211175; Work station: Laboratory; Date joined: 1/12/2016; Nationality: Malaysia - Employee # 1211151; Work station: Mechanical Workshop; Date joined: 1/9/2016; Nationality: Malaysia - Employee # 1211149; Work station: Mechanical Workshop; Date joined: 1/9/2016; Nationality: Malaysia	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Employee # 1211150; Work station: General; Nationality: Malaysia - Employee # 1202714; Work station: FFB Shredder; Date joined: 24/9/1998 (transferred in 17/12/2017); Nationality: Malaysia 	
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>There was no employee of contractor engaged at Kulai POM. However references were made for any as per MAPA Circular No. 44/2018; Date: 29/11/2018 which referring to the Minimum Wages Order (Amendment) 2018 that would come into operation on 1/1/2019.</p>	Complied
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>The records available established as Maklumat Petugas G6 & Ke Atas KS Kulai 2019 & Maklumat Petugas G7 KS Kulai 2019.</p>	Complied
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>All work agreements were according to the Perjanjian Bersama Antara Felde Palm Industries Sdn. Bhd. Dengan Kesatuan Pekerja-Pekerja Felde Palm Industries Sdn. Bhd. Semenanjung; 1/1/2016 – 31/12/2018; Collective agreement COG # 016/2016.</p> <p>Sample agreements sighted as following:</p> <ul style="list-style-type: none"> - Employee ID # 1202714; Date join: 24/9/1998; Post: General Worker (Operation) - Employee ID # 1211547; Date join: 1/11/2018; Post: General Worker (Admin) 	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		- Employee ID # 1211543; Date join: 1/11/2018; Post: General Worker (Store)	
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers. - Major compliance -	Working hours is using punch card mechanism and explained by interviewed employees. Punch time shows time in and out and used to calculate working hours including overtime. No overtime more than limit of 104 hours/month.	Complied
4.4.5.8	The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. - Major compliance -	Overtime is agreed with employee and does not exceed 104 hours. Employees are clear with working hours. They also understand maximum overtime and overtime calculation.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Salary, deductions and overtime is clear in the salary slip. Interview with workers shows they understand the salary and overtime calculations.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. - Minor compliance -	Other incentives eg: project incentive, group insurance, housing facilities and panel clinic (besides government clinic) were provided to employees.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	Housing is provided for free to the workers. Free medical treatment for workers are available at government Clinic and company panel	Major noncompliance

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>clinics which is located in nearby town of Kulai and Bandar Tenggara. Mill provides dedicated van for transport to clinic.</p> <p>Government schools are within close proximity of the Estate and Mill. Electricity and water are available from government supply.</p> <p>However the surrounding of on-site living quarters of an employee's house was found not so conducive.</p> <p>Thus NC were raised. Refer NC no. 1729409-201901-M1.</p>	
4.4.5.12	<p>The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24/08/2017 and Sexual Harassment, Violence and Reproductive Rights Policy with Doc. No. ML-1A/L1-Po10(0) dated 1/6/2014. The company is committed to protect the rights of women on the reproductive and family planning. Discrimination is not allowed in the company. Briefing of the policy was conducted in series. Besides, the policy was publicly displayed at the office area. Interviewed with the female employees found that they were aware of the function of Gender Committee and all the policies.</p>	Complied
4.4.5.13	<p>The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24/08/2017 under 8.13, freedom of voicing and form a union. The policy has been briefed to workers on 28/07/2018. During the interview with workers, it was confirmed that workers aware on the worker's union and freely to form or join them.</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. - Major compliance -	Minimum age of employment was above 18 years for FGVPISB Kulai POM. Verified list of current employees as per January 19 shows no employee below 18 years.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	Kulai POM has established training programme for each employee and documented in Schedule training for Employee/Contractor FY 2018. Refer form no FPI/L4/QOSHE-5.1 Pind 0. Sighted training plan for FY 2018 reviewed on 1/1/2018 approved by the Sr. Manager. The training plan covers on main and support operation. Kulai POM has established training records for each employee and the records are available for review. Sighted training records for employee no. 1206189 i. Briefing PKS, JSA, Lotto, Working Permit, PPE awareness and working on high place training dated 7/7/2018 ii. Safety in oil room and sludge pit training dated 11/7/2018 iii. SW handling training dated 17/8/2018 iv. First aid and CPR training dated 5-6/9/2018	Complied
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.	The mill has established the training program for the mill executive, workers and contractors base on training need analysis conducted. The training need analysis was documented in Training Matrix analysis. The analysis was based on job designation and type of	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	training needs for the employee. The training type was divided into 3 type, Core training, Non-core training – theoretical training and non-core training – theoretical and hands on training.	
4.4.6.3	A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure. - Minor compliance -	The mill has training program which updated annually based on training need analysis. The training identified were programmed throughout the year.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented. - Major compliance -	FGVPISB has established Environmental and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017. The policy was communicated through training, briefing and displayed on notice board at several placed in the mill.	Complied
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations - Major compliance -	The mill and estate has established the environmental Impact assessment and documented in Identification of Environmental Aspect and Evaluation of Significance. The assessment covers all mill activities.	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. - Major compliance -	Environmental management plan has been established and documented Significance Environmental Aspect and Impact. In the plan stated the mitigation plan and references documentation and person in charge of the management plan. Latest review was done on 5/7/2018.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	The mill has established management to promote the positive impacts and documented in Significance Environmental Aspect and Impact. Latest review was done on 5/7/2018.	Complied
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. - Major compliance -	Staff and workers were given briefing on company policies that prohibit disturbance of designated protected areas. The policy has displayed on notice board at several strategic places. Sighted the training records for HCV Management, RTE and Wildlife Protection Act conducted on 13/9/2018. Signage were maintained at the entrance to the estates prohibiting illegal hunting, fishing and the use of fire.	Complied
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. - Major compliance -	The management has established Environmental Performance Monitoring Committee. The committee conduct meeting to discuss issue regarding the environmental issue on quarterly basis.	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan	The mill has established baseline for consumption of non-renewable energy at 1L/ton FFB and monitored on monthly basis. Sighted the	Complied

**MSPO Public Summary Report
Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance																												
	<p>to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p> <p>- Major compliance -</p>	<p>records of Diesel consumption per FFB processed FY 2018 as follows:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>2018</th> </tr> </thead> <tbody> <tr><td>Jan</td><td>0.719</td></tr> <tr><td>Feb</td><td>0.668</td></tr> <tr><td>Mar</td><td>0.735</td></tr> <tr><td>Apr</td><td>0.980</td></tr> <tr><td>May</td><td>1.054</td></tr> <tr><td>Jun</td><td>0.848</td></tr> <tr><td>July</td><td>0.612</td></tr> <tr><td>Aug</td><td>0.645</td></tr> <tr><td>Sep</td><td>0.551</td></tr> <tr><td>Oct</td><td>1.001</td></tr> <tr><td>Nov</td><td>0.923</td></tr> <tr><td>Dec</td><td>0.945</td></tr> <tr><td>AVERAGE</td><td>0.789</td></tr> </tbody> </table>	Month	2018	Jan	0.719	Feb	0.668	Mar	0.735	Apr	0.980	May	1.054	Jun	0.848	July	0.612	Aug	0.645	Sep	0.551	Oct	1.001	Nov	0.923	Dec	0.945	AVERAGE	0.789	
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Dec	0.945																														
AVERAGE	0.789																														
4.5.2.2	<p>Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.</p> <p>- Major compliance -</p>	<p>Estimation of direct usage of non-renewable energy was determine in annual budget.</p>	Complied																												

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance								
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Usage of shell and fiber as fuel for boiler to reduce the usage of diesel. Sighted the usage of fiber and shell usage as follows: <table border="1" data-bbox="1093 523 1525 679"> <thead> <tr> <th>Month</th> <th>Shell (MT)</th> </tr> </thead> <tbody> <tr> <td>Oct 2018</td> <td>0.00</td> </tr> <tr> <td>Nov 2018</td> <td>19.00</td> </tr> <tr> <td>Dec 2018</td> <td>44.00</td> </tr> </tbody> </table>	Month	Shell (MT)	Oct 2018	0.00	Nov 2018	19.00	Dec 2018	44.00	Complied
Month	Shell (MT)										
Oct 2018	0.00										
Nov 2018	19.00										
Dec 2018	44.00										
Criterion 4.5.3: Waste management and disposal											
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Kulai POM has identified waste products and sources of pollution and documented in Waste Management Plan. The waste identified as follows: <ul style="list-style-type: none"> - EFB - Shredded Fibre - Mesocarp Fibre - Wet Shell - Scheduled Waste - Paper, Plastic Bottle - Scrap Iron - Waste Water 	Complied								

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.3.2 A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <ul style="list-style-type: none"> a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products. <p>- Major compliance -</p>	<p>Kulai POM has established a waste management plan and pollution reduction plan base on waste identified and documented in Pollution Reduction Management Plan and Domestic Waste Management Plan.</p> <p>Observed the implementation of the management plan as follows:</p> <ul style="list-style-type: none"> i. Monitoring of domestic waste collection was done monthly. Sighted the monthly monitoring form done by Operation Supervisor for month of July and August dated 1/8/2018 and 1/9/2018 respectively. ii. EFB has been disposed to surrounding estate. Noted the payment for transporting EFB to contractors for month of August. Refer invoice no 3301276360 dated 4/9/2018. 	<p>Complied</p>
<p>4.5.3.3 The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>SOP for handling scheduled wastes has been established entitled Waste Management. Ref doc no. FPI/L2/QOSHE-9.0 rev. 2 dated 3/11/2017 in order to comply with the Environmental Quality Regulations (Scheduled Waste) 2005.</p> <p>The mill have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. The disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Sighted the sampled scheduled waste disposal records:</p> <ul style="list-style-type: none"> i. 25/6/2018 for SW 409; C/N no: 0119083 ii. 25/6/2018 for SW 422; C/N no: 0118824 iii. 25/6/2018 for SW 410; C/N no: 0119082 	<p>Complied</p>

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Domestic waste was collected by municipal collector, SWM and disposed at designated municipal landfill.	Complied
Criterion 4.5.4: Reduction of pollution and emission including greenhouse gas			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	<p>The mill has conducted assessment of all polluting activities in the Environmental Aspect Impact and Environmental Impact Evaluation. A management plan has been established based on the significant aspect and DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p> <p>Observed the stack emission monitoring report to Dept. of Environmental as follows</p> <ul style="list-style-type: none"> i. Monitored date: 13/12/2018 Report date: 20/12/2018 Report no.: ETD/FPISB/SE/2018/12/18680 Result: 0.01415 g/m3 dry@ 12% CO2 ii. Monitored date: 5/7/2018 Report date: 18/7/2018 Report no.: ETD/FPISB/SE/2018/07/18028 Result: 0.017 g/m3 dry@ 12% CO2 <p>Mill also has sent Effluent sample to Felda Analytical Laboratory for analysis. Effluent analysis report to DOE for the month of July and</p>	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance																
		August 2018 sighted at the mill. Verified report no. MAP 775/18 dated 4/8/2018 for July 2018 and MAP 910/18 dated 28/8/2018 for August 2018. BOD result recorded at 61 mg/L and 37 mg/L respectively. Final discharge conforms to parameter limits for land application.																	
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The mill has conducted assessment of all polluting activities in the Environmental Aspect Impact and Environmental Impact Evaluation. A management plan has been established based on the significant aspect and DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling. The plan was reviewed on annual basis.	Complied																
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations. - Major compliance -	Mill effluent is treated through biological anaerobic treatment and discharge through water course. Regular monitoring was conducted as per requirement. Monthly and quarterly report was submitted to DOE accordingly. Sighted the Quarterly Return Form to DOE as follows: 3rd quarter: <table border="1" data-bbox="1211 1093 1744 1391"> <thead> <tr> <th>Month</th> <th>Parameter</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Jul</td> <td>BOD</td> <td>27</td> </tr> <tr> <td>pH</td> <td>8.50</td> </tr> <tr> <td rowspan="2">Aug</td> <td>BOD</td> <td>35</td> </tr> <tr> <td>pH</td> <td>8.90</td> </tr> <tr> <td>Sep</td> <td>BOD</td> <td>8.70</td> </tr> </tbody> </table>	Month	Parameter	Results	Jul	BOD	27	pH	8.50	Aug	BOD	35	pH	8.90	Sep	BOD	8.70	Complied
Month	Parameter	Results																	
Jul	BOD	27																	
	pH	8.50																	
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Sep	BOD	8.70																	

Criterion / Indicator		Assessment Findings		Compliance																					
			<table border="1"> <tr> <td></td> <td>pH</td> <td>14</td> </tr> </table> <p>4th quarter:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Parameter</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Oct</td> <td>BOD</td> <td>13</td> </tr> <tr> <td>pH</td> <td>8.50</td> </tr> <tr> <td rowspan="2">Nov</td> <td>BOD</td> <td>35</td> </tr> <tr> <td>pH</td> <td>8.00</td> </tr> <tr> <td rowspan="2">Dec</td> <td>BOD</td> <td>14</td> </tr> <tr> <td>pH</td> <td>8.70</td> </tr> </tbody> </table> <p>The result of the POME analysis were conform with 'Jadual Pematuhan' by DOE.</p>		pH	14	Month	Parameter	Results	Oct	BOD	13	pH	8.50	Nov	BOD	35	pH	8.00	Dec	BOD	14	pH	8.70	
	pH	14																							
Month	Parameter	Results																							
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Dec	BOD	14																							
	pH	8.70																							
Criterion 4.5.5: Natural water resources																									
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p>	<p>Mill has established the Water Management Plan and latest review was sighted on 20/7/2018. The management plan focusing on water shortage/contamination and water usage efficiency. In the plan stated the root cause, mitigation plan and Person In Charge for each plan programmed.</p> <p>Sighted the implementation of water management plan as follows:</p>		Complied																					

**MSPO Public Summary Report
Revision 0 (Aug 2017)**

Criterion / Indicator	Assessment Findings	Compliance																																										
<p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>i. Monthly record of water usage/ton FFB, sighted the records in Monthly Environmental Performance Indicators. Sighted the record for FY 2017 and FY 2018. Record of usage as follows:</p> <table border="1" data-bbox="1088 539 1720 1238"> <thead> <tr> <th>Month</th> <th>2017</th> <th>2018</th> </tr> </thead> <tbody> <tr><td>Jan</td><td>0.76</td><td>1.04</td></tr> <tr><td>Feb</td><td>1.15</td><td>1.27</td></tr> <tr><td>Mar</td><td>0.94</td><td>0.70</td></tr> <tr><td>Apr</td><td>1.08</td><td>1.31</td></tr> <tr><td>May</td><td>1.00</td><td>1.47</td></tr> <tr><td>Jun</td><td>1.02</td><td>1.59</td></tr> <tr><td>July</td><td>0.97</td><td>1.34</td></tr> <tr><td>Aug</td><td>1.05</td><td>1.24</td></tr> <tr><td>Sep</td><td>1.12</td><td>1.50</td></tr> <tr><td>Oct</td><td>1.28</td><td>1.27</td></tr> <tr><td>Nov</td><td>1.16</td><td>1.26</td></tr> <tr><td>Dec</td><td>0.91</td><td>1.44</td></tr> <tr><td>AVERAGE</td><td>1.04</td><td></td></tr> </tbody> </table> <p>Noted the usage of water at the month of May to August 2018 was higher compare to same period of 2017 due to hot water tank was</p>	Month	2017	2018	Jan	0.76	1.04	Feb	1.15	1.27	Mar	0.94	0.70	Apr	1.08	1.31	May	1.00	1.47	Jun	1.02	1.59	July	0.97	1.34	Aug	1.05	1.24	Sep	1.12	1.50	Oct	1.28	1.27	Nov	1.16	1.26	Dec	0.91	1.44	AVERAGE	1.04		
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Dec	0.91	1.44																																										
AVERAGE	1.04																																											

Criterion / Indicator		Assessment Findings	Compliance
		leak and need replace. The mill has rectify the issue and the replacing work has been commenced.	
4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. - Major compliance -	The mill conducted river water sampling on monthly basis as required by 'Jadual Pematuhan'. Sighted the results of river water sampling as follows: i. Report date: 21/11/2018 Report no.: MAP 1484/18 Result: non-detected ii. Report date: 30/10/2018 Report no.: MAP 1387/18 Result: non-detected	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Mill holds three SOP and documentation available at the mill for review. Noted the Sustainable Palm Oil Manual Procedure, Safety working procedure and Quality, Occupational Health, Safety and Environmental Procedure. Sighted the latest review in Sustainability Palm Oil Manual on procedure for competency, awareness and training dated 1/6/2016. FGVPM has established mechanism to monitor the implementation of their procedure by Mill/Plantation Advisor Visit, Agronomist Visit	Complied

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance												
		and Audit on compliance to SOP (P&D). The visit conducted on annually basis.													
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	Noted the latest Mill Advisor visit conducted on 23-24 May 2018. Refer report no (44) 010/13/FPISB/Report/2018 dated 31/5/2018. The report covers on Product quality, Process and Maintenance cost, mill throughput, compliances to law and regulation, OSH and cleanliness. Noted the reply from Kulai POM in Plantation Advisory Progress Report dated 18/9/2018.	Complied												
Criterion 4.6.2: Economic and financial viability plan															
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	The mill established 5 years business plan as guideline for the mill conduct the daily operation. The plan stated the FFB to be processed, OER, KER, FFB processed and Cost of Production (COP). Sighted the estimates cost of production as follows: <table border="1" data-bbox="1086 1013 1512 1316"> <thead> <tr> <th>Year</th> <th>COP</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>63.69</td> </tr> <tr> <td>2020</td> <td>63.67</td> </tr> <tr> <td>2021</td> <td>67.99</td> </tr> <tr> <td>2022</td> <td>68.99</td> </tr> <tr> <td>2023</td> <td>69.93</td> </tr> </tbody> </table>	Year	COP	2019	63.69	2020	63.67	2021	67.99	2022	68.99	2023	69.93	Complied
Year	COP														
2019	63.69														
2020	63.67														
2021	67.99														
2022	68.99														
2023	69.93														
Criterion 4.6.3: Transparent and fair price dealing															

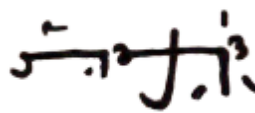

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Pricing mechanism with historical price records were kept at Jabatan Belian BTS (FFB Purchase Department) FGV HQ.</p> <p>Sighted the sample explanation done to suppliers among settlers via invitation by mill, <i>Jemputan ke kempen kualiti BTS di KS Kulai</i>; date: 15/1/2018.</p>	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>Evidence was available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent as per following sample:</p> <ul style="list-style-type: none"> - Purchase of FFB Contract doc. # 341663560; Supplier: Din Bin Mohamad - Purchase of FFB Contract doc. # 341663574; Supplier: Ab Rahaman Md Tahir - Purchase of FFB Contract doc. # 341662582; FFB Supplier: J/Kuasa PRKT01 Felda Ulu Tebrau <p>Agreed payments shall be made in a timely manner as per sample payments:</p> <ul style="list-style-type: none"> - Din Bin Mohamad; Voucher # 352005380; Date: 17/9/2018; Contract doc. # 341663560; Ref. # 40041800284 for FFB payment month 09/2018 - Ab Rahaman Md Tahir; Voucher # 352005386; Date: 17/9/2018; Contract doc. # 341663574; Ref. # 40041800290 for FFB payment month 09/2018 - J/Kuasa PRKT01 Felda Ulu Tebrau; Voucher # 352004108; Date: 12/9/2018; Contract doc. # 341662582; Ref. # 40041800280 for FFB payment month 09/2018 	Complied
Criterion 4.6.4: Contractor			

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Information related to MSPO requirements provided to contractors in the form of letter of agreement (Surat Persetujuan E6.4.1) as the method to made contractors understand.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Based on the sample contractor engagement as per following purchase order: Tender # KL-3171/2018; Surat Perintah Kerja (SPK) # 3301317523/20846239; Date: 26/10/2018; Contractor: Polymer Rebuild And Coating Service; Work awarded: Annual Boiler Overhaul attached with FGV Terms and Conditions for Purchase Orders (PO)/Work Directive (WD) [Terma dan Syarat bagi Pesanan Belian (PB)/Perintah Kerja (PK) 1/2013].	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	FGVPISB Kulai POM agreed for BSI auditors to verify the assessment through a physical inspection if required.	Complied

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment FGV Holdings Berhad Kulai POM and Estates Certification Unit complies with the MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholder and MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills. It is recommended that the certification of FGV Holdings Berhad Kulai POM and Estates Certification Unit is approved.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Anthonius Sani	Name: Hafriazhar Mohd. Mokhtar
Company name: FGV Holdings Berhad	Company name: BSI Services Malaysia Sdn. Bhd.
Title: Sustainability Manager	Title: Lead Auditor
Signature: 	Signature: 
Date: 17/5/2019	Date: 13/5/2019

MSPO Public Summary Report
Revision 0 (Aug 2017)

Appendix A: Assessment Plan

Date	Time	Subjects	HMM	MFM
13/1/2018	PM	Audit team travel to Kulai (Creator Hotel)	✓	✓
14/1/2018	0830	Opening presentation by audit team leader & confirmation of scope and finalize audit plan	✓	✓
Day 1 Kulai Palm Oil Mill	0900	Kulai Palm Oil Mill & facilities visit – process & non-process operation	✓	✓
	1000	Stakeholder consultation – relevant internal & external stakeholders	✓	-
	1230	Lunch break	✓	✓
	1330	Kulai Palm Oil Mill Documents review P1 – P6 of MSPO Part 4 Standard	✓	✓
	1600	Assessment team discussion & interim briefing	✓	✓
	1630	End of Day 1 audit	✓	✓
15/1/2018	0900	FGVASSB Bukit Besar/Taib Andak Estate field & facilities visit – sample operation, HCV, boundaries, work stations, housing and etc.	✓	✓
Day 2 FGVASSB Bukit Besar/Taib Andak Estate	1230	Lunch break	✓	✓
	1330	FGVASSB Bukit Besar/Taib Andak Estate/Taib Andak Documents review P1 – P6 of MSPO Part 3 Standard	✓	✓
	1600	Assessment team discussion & findings/report preparation	✓	✓
	1630	Closing meeting & end of audit	✓	✓
16/1/2018	AM	Audit team travel back to Kuala Lumpur	✓	✓

Appendix B: List of Stakeholders Contacted

List of Stakeholders Contacted	
<p>Internal Stakeholders</p> <p>GPW Chairperson (Gender Committee Representative)</p> <p>Manager/Assistant Manager</p> <p>Field supervisor</p> <p>Mandore</p> <p>Harvester</p> <p>Sprayer</p>	<p>Union/Contractors/Local Communities</p> <p>Union representative</p> <p>Vendor</p> <p>Contractor</p> <p>Village representative</p>
<p>Government Departments</p> <p>SAJ (Water Authority) representative</p> <p>Teacher (SKSB)</p>	<p>NGO</p> <p>Community nurse</p>

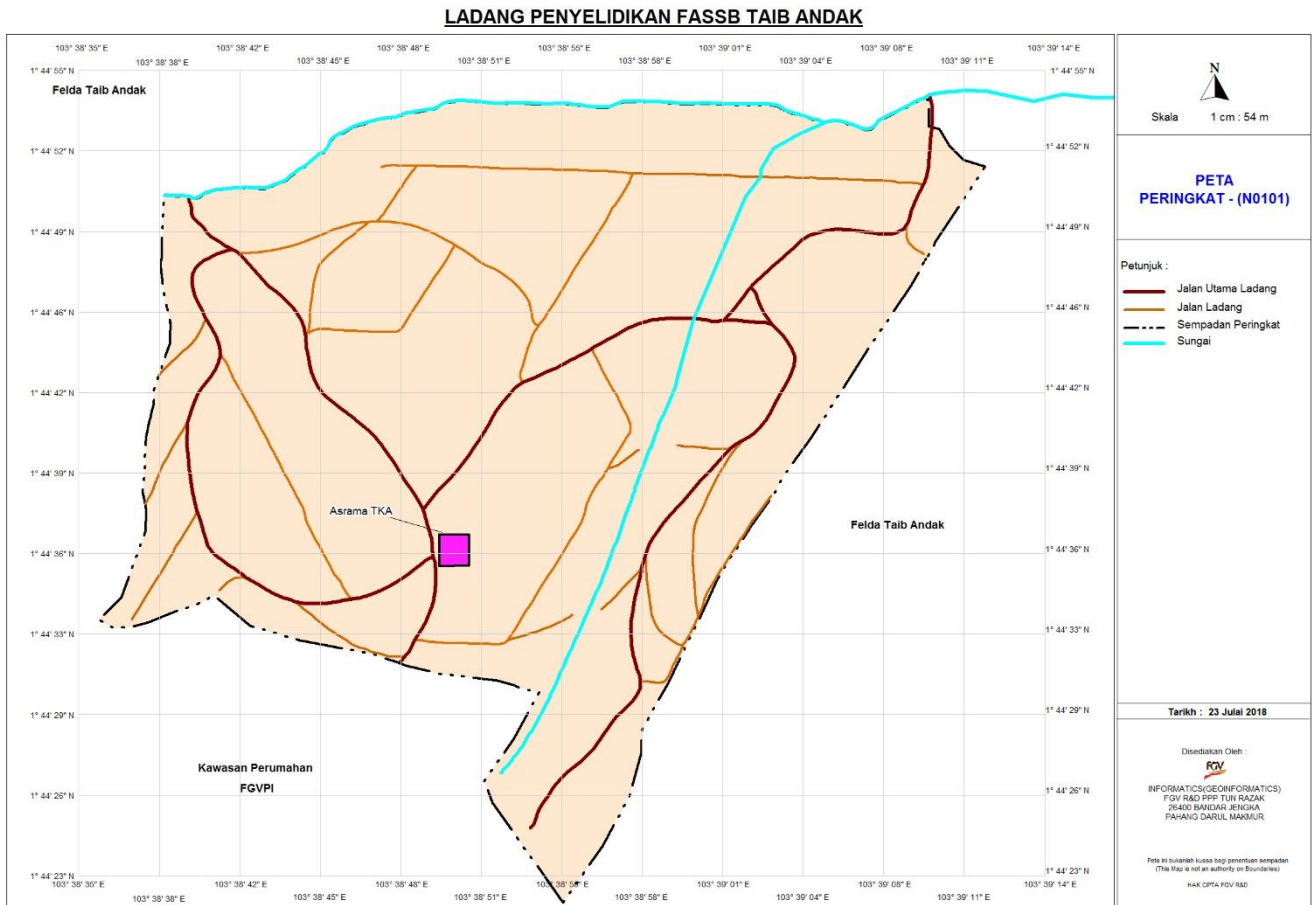
Appendix C: Smallholder Member Details

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	Not applicable			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
TOTAL				

Appendix D: Kulai Palm Oil Mill Location



Appendix E: FGVASSB Bukit Besar/Taib Andak Estate Field Map



Appendix G: List of Abbreviations

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure