

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

<b>FGV Holdings Berhad</b>
Client company Address: <b>Level 20 West, Wisma FGV, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia</b>
Certification Unit: <b>Wa Ha Palm Oil Mill and supply bases</b>
Location of Certification Unit: <b>KARUNG KUNCI 55, 81907, KOTA TINGGI, JOHOR</b>

**Report prepared by:**  
**Elzy Ovktafia** (Lead Auditor)

**Report Number: 8938632**

**Assessment Conducted by:**  
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### Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	WA HA POM: 500171704000 BUKIT APING SELATAN ESTATE: 616064002000		
Company Name	FGV Holdings Berhad		
Address	Level 20 West, Wisma FGV, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia		
Group name if applicable:	-		
Subsidiary of (if applicable)	-		
Contact Person Name	NORAZAM BIN ABDUL HAMEED		
Website	<a href="http://www.feldaglobal.com/sustainability">http://www.feldaglobal.com/sustainability</a>	E-mail	<a href="mailto:norazam.ah@feldaglobal.com">norazam.ah@feldaglobal.com</a>
Telephone	03-27890497	Facsimile	03-27890440

1.2 Certification Information			
Certificate Number	MSPO 693245		
Issue Date	22/02/2019	Expiry date	21/02/2024
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	19-20 July 2018		
Stage 2 / Initial Assessment Visit Date (IAV)	16-17 October 2018		
Continuous Assessment Visit Date (CAV) 1	-		
Continuous Assessment Visit Date (CAV) 2	-		
Continuous Assessment Visit Date (CAV) 3	-		
Continuous Assessment Visit Date (CAV) 4	-		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
QMS 03093	ISO 9001:2015	SIRIM QAS International Sdn Bhd	11.08.2019
OHS 00691	ISO 18001:2007	SIRIM QAS International Sdn Bhd	23.02.2020

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<b>1.3 Location of Certification Unit</b>			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
WA HA POM	KILANG SAWIT WA HA, KARUNG KUNCI 55, 81907 KOTA TINGGI, JOHOR	104° 4' 30" E	1° 47' 45" N
BUKIT APING SELATAN ESTATE	PEJABAT LADANG FGVP M BUKIT APING SELATAN, D/A FELDA BUKIT WAHA, 81900 KOTA TINGGI, JOHOR	104° 04' 24" E	1° 45' 18.3" N

<b>1.4 Plantings &amp; Cycle</b>					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
LADANG BUKIT APING SELATAN	-	432.09	419.87	-	-

<b>1.5 FFB Production (Actual) and Projected (tonnage)</b>			
Producer Group	Estimated (Previous Year)	Actual (Oct 17 – Sept 18)	Forecast (Oct 18 – Sept 19)
LADANG BUKIT APING SELATAN	-	N/A. This is initial assessment.	258,215.64 MT

<b>1.6 Certified CPO / PK Tonnage</b>			
WA HA POM	Estimated (Previous Year)	Actual (Oct 17 – Sept 18)	Forecast (Oct 18 – Sept 19)
	<b>CPO (OER: - %)</b>	<b>CPO (OER: 20.72%)</b>	<b>CPO (OER: 21.10%)</b>
	N/A. This is initial assessment.	N/A. This is initial assessment.	54,483.50 MT
	<b>PK (KER: - %)</b>	<b>PK (KER: 5.49%)</b>	<b>PK (KER: 5.59%)</b>
	N/A. This is initial assessment.	N/A. This is initial assessment.	14,434.25 MT

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<b>1.7 Certified Area</b>					
<b>Estate</b>	<b>Total Planted (Mature + Immature) (ha)</b>	<b>HCV (ha)</b>	<b>Infrastructure &amp; Other (ha)</b>	<b>Total Area (ha)</b>	<b>% of Planted</b>
BUKIT APING SELATAN ESTATE	851.96	0	290.69	1142.65	74.56%

<b>1.8 Details of Certification Assessment Scope and Certification Recommendation:</b>
<p>BSI Services Malaysia Sdn Bhd has conducted the MSPO Stage 2 Audit Certification Assessment of FGVP(M) Sdn Bhd- Wa Ha POM located in KARUNG KUNCI 55, 81907, KOTA TINGGI, JOHOR comprising 1 mill and 1 estates.</p> <p>The assessment was conducted onsite to assess the compliance of the certification unit against MS 2530-3:2013 MSPO Part 3: General principles for oil palm plantations and organized smallholder and MS 2530-4:2013 MSPO Part 4: General principles for palm oil mills.</p> <p>The onsite assessment was conducted on 16-17 October 2018.</p> <p>Based on the assessment result, FGVP(M) Sdn Bhd- Wa Ha POM complies with the MS 2530-3:2013 MSPO Part 3: General principles for oil palm plantations and organized smallholder and MS 2530-4:2013 MSPO Part 4: General principles for palm oil mills and recommended for certification.</p>

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
Unit 3, Level 10, Tower A  
The Vertical Business Suites, Bangsar South  
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Tel +603 2242 4211 Fax +603 2242 4218  
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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 16-17 October 2018. The audit programme is included as Appendix A. The approach to the audit was to treat the FGVP(M) Sdn Bhd- Wa Ha POM and supply bases as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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 MSPO Part 3: General principles for oil palm plantations and organized smallholder and MS 2530-4:2013 MSPO Part 4: General principles for palm oil mill 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  $N = 1.0\sqrt{y}$  where  $y$  is the number of estates while when applicable, the smallholders sample were determined following the MSPO Certification Requirement.

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

All the previous nonconformities are remains closed. The assessment findings for the initial assessment are detailed in Section 4.2. 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

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

The comments made by external stakeholders were also taken into account in the assessment where the stakeholder notification was made through BSI website: [https://www.bsigroup.com/globalassets/localfiles/en-my/mspo/Public%20Notification/2018/MSPO\\_stakeholder\\_letter\\_FGVP\\_Waha\\_english.pdf](https://www.bsigroup.com/globalassets/localfiles/en-my/mspo/Public%20Notification/2018/MSPO_stakeholder_letter_FGVP_Waha_english.pdf)

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

<b>1. Assessment Program</b>					
<b>Name (Mill / Plantation / Group smallholders)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Wa Ha Palm Oil Mill	√	√	√	√	√
Bukit Aping Selatan Estate	√	√	√	√	√

**Tentative Date of Next Visit: October 8, 2019 - October 10, 2019**

**Total No. of Mandays: 4**

**BSI Assessment Team:**

**Elzy Ovktafia - Lead Assessor**

She graduated from Universiti Putra Malaysia in Diploma of Agriculture, holding the designatory of LISP from the Incorporated Society of Planters and currently in the midst of completing AISP. She involve in audits and technical reviews works mainly for Sustainability Programme includes RSPO and MSPO for almost 3 years in more than 11 countries. She is a qualified Lead Auditor/Auditor for RSPO P&C, RSPO NEXT, RSPO SCC, ISO 9001:2015, ISO 14001:2015 and Social Compliance Audit by Verite. Prior to this, she was the Agronomist in R&D Department for almost 5 years in Oil Palm Plantation where her task involved in all Oil Palm Plantation Operations such as conducting experimental trials on Research & Development with technical paper publications, Crop Forecast, Leaf & Soil Sampling Collection, Fertilizer Recommendation, Pest and Diseases Training, Quality Control as well as special project namely Yield Intensification Project and Food for Palm Project for estates.

**Hafriazhar Mohd Mokhtar - Team Member**

Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea and Solomon Islands.

**Accompanying Persons: Nil**

### Section 3: Assessment Findings

#### 3.1 Details of audit results

This assessment has been assessed using the following RSPO 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 1 Major & no Minor nonconformities raised. The **FGVP(M) Sdn Bhd- Wa Ha POM and supply bases** 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 action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Major Nonconformities:		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	1697126-201804-M1	4.3.1.1 (Part 3)
Requirements:	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.	
Statement of Nonconformity:	Certain legal requirements are not adequately implemented.	
Objective Evidence:	No evidence of permit of purchase and storage of petrol as per Peraturan-peraturan Kawalan Bekalan 1974 requirement. Found petrol been stored in Ladang Bukit Aping Selatan Store without valid permit	
Corrections:	Application for petrol storage permit and training records of person in charge of petrol storage license.	
Root cause analysis:	No training been provided to the person in charge on monitoring the petrol storage permit license.	
Corrective Actions:	Management to monitor person in charge on petrol storage permit and to make monthly checking on permits and licenses.	
Assessment Conclusion:	Audit team have reviewed the evidence submitted and the major NC is satisfactorily closed. Continuous implementation of corrective action taken will be further verified in the next assessment visit. The major NC was closed out on 28.12.2018 after the evidence of Permit Barang Kawalan Berjadual, No siri: J033377, No rujukan: KPDNKK.J.KTG/PERMIT KHAS 0803 (PD) for Diesel 100 L/day and Petrol Ron 95 20 L/day valid from 11 November 2018 until 10 May 2019.	



Noteworthy Positive Comments	
1	Good cooperation from the management team.

### 3.3 Status of Nonconformities Previously Identified and OFI

Not applicable as this is main assessment.

Major Nonconformities:		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	-	
Requirements:		
Statement of Nonconformity:		
Objective Evidence:		
Corrections:		
Root cause analysis:		
Corrective Actions:		
Assessment Conclusion:		
Stage II Status:		
Minor Nonconformities:		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	-	
Requirements:		
Statement of Nonconformity:		
Objective Evidence:		
Correction Action Evidence:		
Assessment Conclusion:		

### 3.4 Issues Raised by Stakeholders

IS #	Description
1	<b>Issues:</b> <b>Surrounding Communities (Felda Bukit Waha/Felda Bukit Easter/Imam of Felda Simpang Waha)</b> During the stakeholder’s consultation, there are various question raised such as the different between FGV and Felda Holdings now, MSPO for Felda Settlers, standard practice for Felda Technoplant, OER calculation and FFB prices, etc.
	<b>Management Responses:</b> Management will have the next stakeholder meeting on explain all the questions raised.
	<b>Audit Team Findings:</b> Since the questions raised are more to FGV internal issue, auditor cannot answer on behalf of FGV. The questions are forwarded to estate and mill for their action in the next stakeholder meeting.
2	<b>Issues:</b> <b>Workers’ Representatives</b> The workers have informed that their wages were according to Minimum Wage Order 2016. No discrimination was occurred and they were treated equally regardless of the gender and nationalities.
	<b>Management Responses:</b> Management will continue communicating any new changes on the company policy or SOP through morning muster, trade union and complaint channel.
	<b>Audit Team Findings:</b> No other issue.
3	<b>Issues:</b> <b>Pondok Polis Waha</b> <ol style="list-style-type: none"> <li>1. The FFB fell from the lorry without proper net will cause accident in future.</li> <li>2. There were stolen FFB in this area and FELSCO (security guard) are advised to take more precaution steps.</li> </ol>
	<b>Management Responses:</b> Management noted on the information and will follows up on the action taken.
	<b>Audit Team Findings:</b> No other issue.
6	<b>Issues:</b> <b>Contractors &amp; Suppliers (Aneka Gear, Mill Contractor’s Grader, Amat Taraf)</b> Since the payment made directly from HQ for all the job completed, the payment period is too long until reach 90 days which inconvenient for them. Other than that, management has given the good cooperation to the contractors and suppliers.
	<b>Management Responses:</b> Management noted on the complaint however, the agreement been made with them with HQ as per instruction from top management.
	<b>Audit Team Findings:</b> Verified the contractor’s agreement therefore no other issue.

### 3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1697126-201804-M1	Major	17.10.2018	Closed

**3.6 Summary of the findings by Principles and Criteria**

**Malaysian Sustainable Palm Oil Part 4: General Principles for Palm Oil Mills.**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	Policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	Group Sustainability Policy, Policy No: FGV/SED/POL/001 rev 1 dated 24.8.17 has includes the MSPO implementation is established and publicly available.	Yes
<b>4.1.1.2</b>	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. <b>- Major compliance -</b>	The policy explain that FGV is supporting the MSPO and committed to ensure that all FGV operation comply with MSPO.	Yes
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	Internal audit was planned and conducted as per the documented Internal audit procedure, Doc No: FGV/ML-1A/L2-Pr11, issue 1, version 0 dated 01.06.2016. Annual audit schedule for 2018 was scheduled in October. The MSPO internal audit was carried out together with RSPO as Sustainability Audit on 08.10.2018 by Plantation Sustainability Department team.	Yes
<b>4.1.2.2</b>	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. <b>- Major compliance -</b>	The Internal audit procedure, Doc No: FGV/ML-1A/L2-Pr11, issue 1, version 0 dated 01.06.2016 was used as reference for audit process. Audit results of both audits were documented under internal audit summary. The audit resulted of no Non-conformities.	Yes
<b>4.1.2.3</b>	Reports shall be made available to the management for their review. <b>- Major compliance -</b>	Sighted the internal audit checklist for Sustainability 2018 dated 08.10.2018 which comprising RSPO and MSPO audit findings.	Yes

Criterion / Indicator	Assessment Findings	Compliance
<b>Criterion 4.1.3 – Management Review</b>		
<b>4.1.3.1</b> The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. <b>- Major compliance -</b>	FGVPM Wa Ha POM has conducted the MSPO management review on 09.10.2018, Document no: 01/2018, attended by 13 people. Among the issues discuss are audit results, customer satisfaction, products, environments and social, replanting, management review and continuous improvement.	Yes
<b>Criterion 4.1.4 – Continual Improvement</b>		
<b>4.1.4.1</b> The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. <b>- Major compliance -</b>	FGVPM Wa Ha POM has the continuous improvement plan for environmental and social issues such as: <ol style="list-style-type: none"> <li>1. Mill Performance Achievement program – distributing T-shirt as motivation to all workers.</li> <li>2. Installation of EFB plant (shredded).</li> <li>3. New 4 wheels drive for mill.</li> </ol>	Yes
<b>4.1.4.2</b> The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. <b>- Major compliance -</b>	Mill has the initiative to build 1 unit of EFB plant (shredded) at Wa Ha POM to increase the usage of boiler fuel and minimize the disposal of empty bunch. Sighted the letter of acceptance of offer, contract no: FPISB-103/2018, date: 20.09.2018 and Budget reference no: AM18/4058/5HQ (RM 2,400,00.00) with basic start date from 04.04.2018 and basic finish date: 31 December 2018.	Yes
<b>4.2 Principle 2: Transparency</b>		
<b>Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements</b>		
<b>4.2.1.1</b> 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. <b>- Major compliance -</b>	Adequate information covering on environmental, social and legal issues which are relevant to MSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the stakeholders, Regulatory Departments such as DOSH and DOE visiting log book were attended accordingly. Refer to annual inspection (Hydrostatic Test) by DOSH was conducted on	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>24/04/2018, JKPP (Pemeriksaan Ulangan Kilang &amp; Jentera Bersijil) visit on 03/04/2018 and DOE visit on 16/07/2018. No major issue was raised by the DOSH officer and JKPP Officer.</p> <p>In Wa Ha POM, there is Visitor Book to records all the input from visitors such as Senior Executive on 07.08.18 and complaint book.</p>	
<b>4.2.1.2</b>	<p>The 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.</p> <p><b>- Major compliance -</b></p>	<p>The management has keep the records from all stakeholders such as JKPP book, visitor's logbook and complaint book.</p>	Yes
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p><b>- Major compliance -</b></p>	<p>Wa Ha POM has developed a SOP on Handling Complaints and Grievances with Doc. Ref. No. FGV/ML-1A/L2-Pr13, Issue 1 with effective date 01.06.16. The procedure has covering below scope:</p> <ul style="list-style-type: none"> <li>a. Project management issue</li> <li>b. Housing maintenance</li> <li>c. Estate management</li> <li>d. Complaint on amenities</li> <li>e. Complaint on worker's welfare</li> <li>f. Freedom of expression in meeting</li> </ul> <p>As references, the Policy and Procedure on whistleblowing, Ministry of Human Resource website and Akta Perhubungan Perusahaan 1967 were cross-referenced.</p> <p>There were internal (5 steps) and external complaint steps need to be followed.</p>	Yes
<b>4.2.2.2</b>	<p>The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i>.</p> <p><b>- Minor compliance -</b></p>	<p>AQS-Abd Rahim bin Sani in Wa Ha Mill have been nominated as the person responsible for issues such as stakeholder request, complaints &amp; grievances.</p> <p>The appointment letter is sighted dated 10.01.17.</p>	Yes
<b>4.2.2.3</b>	<p>A list of stakeholders, records of all consultation and communication and records of</p>	<p>Wa Ha POM has developed a stakeholder list which last reviewed on 2018. The list included</p>	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	<p>action taken in response to input from stakeholders shall be properly maintained.</p> <p><b>- Major compliance -</b></p>	<p>FFB suppliers, suppliers, NGOs, contractors, government authorities and local communities.</p> <p>Stakeholder meeting was conducted on 10.10.18 for Wa Ha complex with the participation of contractors, government bodies and nearby estates. The meeting minutes and attendant list is sighted. Actions have been taken to resolve the issues raised during the meeting.</p>	
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	<p>The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability.</p> <p><b>- Major compliance -</b></p>	<p>FGVPM as a group has SOP for Supply Chain and Traceability Doc No: FGV/ML-1A/L2-Pr23 Issue 1 rev 0 dated 01.06.2018. There is a flow chart include the responsible person and which documents as references for RSPO/MSPO certified product. If there is any wrong data detected in daily figure report, the correction will be done in Weighbridge and Mill Performance Report.</p>	Yes
<b>4.2.3.2</b>	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p> <p><b>- Major compliance -</b></p>	<p>Records showed that management conducted regular inspections on compliance with the established traceability system. Example seen for Internal Audit report.</p>	Yes
<b>4.2.3.3</b>	<p>The management shall identified and assign suitable employees to implement and maintain traceability system.</p> <p><b>- Minor compliance -</b></p>	<p>The person having overall responsibility for Traceability are assistant managers, weighbridge clerks, FELSCO representatives, FFB grader and operation supervisor (within own scope) as per appointment letter dated 19.03.2018.</p>	Yes
<b>4.2.3.4</b>	<p>Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.</p> <p><b>- Major compliance -</b></p>	<p>Records of storage, sales, delivery or transportation of crude palm oil and palm kernel were maintained at the mill.</p> <p>Example of records evidence are as below:</p> <p>a. Daily production Summary Record dated 05.09.2018 sampled:</p> <ul style="list-style-type: none"> <li>i. FFB</li> <li>ii. CPO</li> <li>iii. PK</li> <li>iv. Mill performance based on FFB processed</li> <li>v. CPO storage tank</li> <li>vi. PK location</li> </ul>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		The mill has generated a daily and monthly CPO/ PK production statement.	
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
<b>4.3.1.1</b>	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p><b>- Major compliance -</b></p>	<p>MPOB license: 500171704000 valid until 1 year from 01.04.2018 until 31.03.2019 for 19,2000 MT of FFB/year but since 2014, the FFB process are more than 200,000 MT/year. Mill has applied the volume extension to MPOB in multiple request previously but MPOB has put the condition of installing the methane trap which biogas on 09.12.2013 and mill has request to install the methane trap to Biomass Department on 11.03.2018 (Bil no: 4058/WH/870/03/18) and Head of Biomass has responded on the progress on 21.03.2018. Mill decided to include the biogas installation (RM 15 million) in 2019 budget.</p> <p>The mechanism is guided by Manual Procedure, Evaluation of Compliance to Legal and Other Requirements [FPI/L2/QOSHE-17.0]. The Assistant Mill and/or Estate Managers are the persons responsible to conduct the evaluation of compliance. In the legal register there is a column to record the status of compliance and it was done by the assistant managers. The report of status of compliance helps the management to get the information about non-compliance with legal requirement (if any) and subsequently take the necessary action. As example, sighted the DOE license # 004743; Validity: 1/7/2018 – 30/6/2019; BOD limit: 1/7/2018 – 31/12/2018: 100 mg/l; 1/1/2019: 20 mg/l which were closely monitored its compliance by mill management.</p>	Yes
<b>4.3.1.2</b>	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	<p>List established as Register of Legal and Other Requirements; Mill: Wa Ha POM as per sample:</p> <ul style="list-style-type: none"> <li>- Employment Act 1955; Form # ML-1A/L5-AP11; Rev. 0; Date: 1/1/2018</li> <li>- Employment Information Act 1953; Form # ML-1A/L5-AP27; Rev. 0; Date: 1/1/2018</li> </ul>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		- Workers Minimum Housing and Amenities Standard Act 1990; Form # ML-1A/L5-AP20; Rev. 0; Date: 1/1/2018	
<b>4.3.1.3</b>	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.  <b>- Major compliance -</b>	As per established procedure of Legal and Other Requirements; Doc. # FPI/L2/QOHSE-2.0; Issue # 2; Dated: 15/9/2014. Relevant personnel from both mill and HQ (Sustainability Department) to alert on any updates in applicable requirements. Legal register to be updated upon review by relevant personnel at mill.	Yes
<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.  <b>- Minor compliance -</b>	The Mill Manager was assign as overall relevant personnel responsible together with mill QOHSE committee members to monitor compliance and track update of changes in applicable requirements. Results of latest evaluation of compliance done were recorded in Form # FPI/L4/QOHSE-2.1; Rev. 0; Dated: 1/1/2018. Appointment of committee members sighted as sample letter ref. # (01) 4058/WH/QOHSE/Perlantikan; Dated: 1/2/2017	Yes
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.  <b>- Major compliance -</b>	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.	Yes
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.  <b>- Major compliance -</b>	Wa Ha POM has apply the individual land title under FPI as per letter dated 15.05.2018, kelulusan rayuan permohonan tanah yang terbatal notis 5A bagi tujuan tapak kilang kelapa sawit di FELDA simpang Waha oleh FELDA Palm Industries Sdn Bhd PTD 1682 seluas 39.15 Ha Mukim Sedili Kecil Daerah Kota Tinggi). Sighted the quit rent (premium) receipt no A 1004674 on 25.07.2018 for RM 411,075.00.	Yes
<b>4.3.2.3</b>	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.  <b>- Major compliance -</b>	Since there is in progress of having individual land titles, the boundary markers been established by Jurukur Berjasa, FRICS-Chartered Land Surveyor with scale 1:5000.	Yes



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<b>4.3.2.4</b>	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). <b>- Minor compliance -</b>	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.	Yes
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. <b>- Minor compliance -</b>	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. <b>- Major compliance -</b>	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. <b>- Minor compliance -</b>	SIA for each unit evident as below: 1. Laporan Penilaian Impak Sosial KS Wa Ha was conducted by Plantation and Sustainability Department (PSD) on 20.02.2018.  The assessment conducted was involved site visits, document reviewed and interviewed with the relevant stakeholders such as workers, contractors and external stakeholders. The positives and negatives impacts also addressed and solved within the timeframe (2017/2018).	Yes

Criterion / Indicator	Assessment Findings	Compliance
<b>Criterion 4.4.2: Complaints and grievances</b>		
<b>4.4.2.1</b> A system for dealing with complaints and grievances shall be established and documented. <b>- Major compliance -</b>	Wa Ha POM has developed a SOP on Handling Complaints and Grievances with Doc. Ref. No. FGV/ML-1A/L2-Pr13, Issue 1 with effective date 01.06.16. The procedure has covering below scope: <ul style="list-style-type: none"> <li>a. Project management issue</li> <li>b. Housing maintenance</li> <li>c. Estate management</li> <li>d. Complaint on amenities</li> <li>e. Complaint on worker's welfare</li> <li>f. Freedom of expression in meeting</li> </ul> As references, the Policy and Procedure on whistleblowing, Ministry of Human Resource website and Akta Perhubungan Perusahaan 1967 were cross-referenced.  There were internal (5 steps) and external complaint steps need to be followed.	Yes
<b>4.4.2.2</b> The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties. <b>- Major compliance -</b>	Most of the complaints were related to house repair work such as replacing new door, locks, floor and others made in lump sum repairs by contractor at houses: H7-04 Hazrul, H5/02 Norazery, H3/02 Asmawi, H6/3 Nazri and H7/3 Amiludin recorded in Laporan Kerosakan Rumah/Surau/Kantin/Kebajikan dated on 01.03.2018. Complaint Book and other complaints were recorded in Aduan Penduduk Logbook. The management has taken action to rectify the problems. The complainants have acknowledged after the problems been rectified. For example: <ol style="list-style-type: none"> <li>1. 03.02.2018: grass cutting needed in housing area.</li> <li>2. 06.02.2018: Broken car mirror due to grass cutting activities.</li> <li>3. 14.04.2018: EFB fell down on the ground by EFB transporter.</li> </ol>	Yes
<b>4.4.2.3</b> A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. <b>- Minor compliance -</b>	The complaint form is available nam Laporan Kerosakan Rumah/Surau/Kantin/Kebajikan and complaint book for other complaints.	Yes

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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><b>- Minor compliance -</b></p>	<p>Medium for complaint is through website, suggestion box in office and complaint book and communicated through SIA, stakeholder consultation and public memo (openness to general document) on the complaint procedure and person in charge.</p>	Yes
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><b>- Major compliance -</b></p>	<p>As per records in complaint book, all the request are solved and the records are kept since April 2017.</p>	Yes
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
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><b>- Minor compliance -</b></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 is for the protecting both endangered species of Rafflesia and Sunbear.</p> <p>For operational level, in Wa Ha POM, there were black soil (POME) request from SK (F) Bukit Wa Ha on 17.09.18 and FGVPM Bukit Aping Selatan on 12.08.18, EFB request from Pineapple Cannery of Malaysia Sdn Bhd on 03.06.18, as well as bunch ash at lot FELDA PKT 005 on 18.09.18.</p>	Yes
<b>Criterion 4.4.4: Employees safety and health</b>			
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 Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>Policy established as <i>Dasar Kualiti, Keselamatan, Kesihatan Pekerja dan Alam Sekitar</i> (Quality, Occupational Safety and Health and Environment Policy); Signed by: CEO FPISB; Rev. 10; Date: 20/11/2017; First issue: 10/8/1999. Sighted sample records of policy communication conducted on 9/10/2018.</p>	Yes
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p>	<p>a) Policy as per established, communicated and implemented accordingly.</p> <p>b) The risk of all operations were assessed and documented based on work stations within mill. Sighted the Risk Hazard Identification</p>	Yes

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<ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risk of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:               <ul style="list-style-type: none"> <li>i. All employees involved are adequately trained on safe working practices;</li> <li>ii. All precautions attached to products should be properly observed and applied;</li> </ul> </li> <li>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).</li> <li>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</li> <li>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</li> </ul>	<p>Form # FPI/L4/QOHSE-1.3; Rev. 0 dated 1/6/2018. Identified risks and hazard were assessed as per sighted form Hazard Identification, Risk Assessment and Determined Control (HIRADC); Form # FPI/L4/QOHSE-1.4; Rev. 2 dated 25/9/2018. Sighted latest HIRADC done for the construction of EFB Shredder Plant which was on-going during the site visit.</p> <ul style="list-style-type: none"> <li>c) Relevant awareness and training included as following:               <ul style="list-style-type: none"> <li>i. Latest chemical handling training based on SOP was conducted on 9/3/2018 for lab operators by Lab Analyst.</li> <li>ii. Precautions including PPE and engineering control i.e. installation of fume cupboard and hood at lab for handling of hazardous chemical. The engineering control equipment was newly installed on 20/9/2018 by Sinar Emas Enterprise and MZ Enviro Testing &amp; Consulting.</li> </ul> </li> <li>d) PPE issuance by managements were all recorded in the PPE Change/Receive Records; Attachment 1-FPI-PK-037 kept by storekeeper. Sighted latest change issuance of leather glove to oil room operator dated on 15/10/2018.</li> <li>e) Mill management has established the Operation Manual for Handling of Reagent and Solutions; Doc. # FPI/L3/14-02-11; Rev. 0; Dated: 2/1/2002 to ensure proper and safe handling and storage in accordance with relevant regulations.</li> <li>f) The Mill Manager was assign as overall relevant personnel responsible together with mill QOHSE committee members on workers safety and health. Appointment of committee members sighted as sample letter ref. # (01) 4058/WH/QOHSE/Perlantikan; Dated: 1/2/2017</li> <li>g) Communication done directly through daily morning assembly and quarterly Safety Committee Meeting. The committee members appointed were representative from both management and workers side.</li> </ul>	

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	<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 and 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><b>- Major compliance -</b></p>	<p>Latest Safety Committee Meeting was conducted on 13/8/2018; Meeting # 03/2018 attended by all committee members.</p> <p>h) Accident and emergency procedures established as Emergency Response Procedure (ERP); Doc. # FGV/ML-1A/L2-Pr15; Issue 1; Rev. 0; Effective Date: 1/6/2016. There was an accident occurred on 22/9/2018 to a worker at Sterilizer station. Accident was reported to DOSH through JKPP6 and recorded in the regional Occupational Accident Report form. The subsequent action included training re-training of Sterilizer Operator on 3/10/2018 by JB Region Safety Officer.</p> <p>i) Employees trained in First Aid present at different mill operations work stations. Sighted records of First Aid training conducted on 17/3/2018 by registered First Aider i.e. mill Electrical Chageman.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Human Rights Policy with Doc. No. ML-1A/L1- Po12(0) dated 1/6/2014. FGV is committed and support human rights. Briefing of the policy was conducted in series. Sighted the attendance records on 10.10.18 in Wa Ha Mill to workers.</p>	Yes
<b>4.4.5.2</b>	<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</p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24.08.17 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,</p>	Yes

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	<p>other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>religion, disability, gender, age, sexual orientation, union membership or political affiliation.</p>	
4.4.5.3	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Collective Agreement was made between FGV Plantations (M) Sdn Bhd and Workers' Association for FGV Plantations (Malaysia) Sdn Bhd (Semenanjung) which effective from 1/1/2016 – 31/12/2018. The collective agreement has detailed out all the wages, annual leave, welfare and amenities, discipline and etc.</p> <p>Employment contracts/ Offer letters are available in language that understood by workers. The contract has detailing the payments whereas the employment conditions such as period of working, working hour, medical assistance, transportation provided, holiday and annual leave, termination of services and etc was refer to "Perjanjian Bersama Antara Felda Palm Industries Sdn Bhd dengan Kesatuan Pekerja-Pekerja Felda Palm Industries Sdn Bhd Semenanjung" which valid from 1/1/2016 – 31/12/2018 for mill workers. The offer letter/ contract was signed by the workers and sampled as below:</p> <ol style="list-style-type: none"> <li>1. Employee id (Wa Ha POM): 1207496</li> <li>2. Employee id (Wa Ha POM): 1211478</li> <li>3. Employee id (Wa Ha POM): 1208831</li> <li>4. Employee id (Wa Ha POM): 1201403</li> </ol> <p>Seen the payslip found that deduction of salary was implemented. The deduction of salary are such as Felkop fee, Takaful Insurance, KEPF, SOCSO, Electricity, Water and etc. Consent letter signed by the workers on the stated items and approval letter from Jabatan Buruh Semenanjung Malaysia:</p> <ol style="list-style-type: none"> <li>1. 25.10.96 to Felda Palm Industries Sdn Bhd with Ref. No. (13)010/HQ/840A/61 to make deduction on salary for Skim Perumahan FPISB, Skim Koperasi Permodalan Felda Berhad (KPF); Yuran Asrama Semai Bakti; Bayaran Rawatan Perubatan/Bersalin; Tabung Kebajikan Felda; Yuran Kelab Sukan Rekreasi (KSRF); Skim Pinjaman Kenderaan</li> </ol>	Yes

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		<p>FPISB; Skim Insuran Takaful Berkelompok dan Bayaran Bil Elektrik dan Air.</p> <p>2. 13.5.1999 with Ref. No. PP3/34/0247 for all Felda and Subsidiaries Company for the deductions on Insurans Hayat (Barakah) and Pendidikan Iqra' dari Syarikat Takaful National.</p> <p>3. 05.02.2005 to Felda Palm Industries Sdn Bhd with Ref. No. PP3/34/1013 for the deduction of yuran bulanan Badan Kebajikan Petugas Felda Palm Industries.</p> <p>4. 26.04.2016 with ref no: (22)dIm BHG. PU/9/129 Jld 23 for FGV Plantations (Malaysia) Sdn Bhd for the deduction on salary for excess of electric bill, water bill and medical bill.</p> <p>5. 20.09.2000 to Felda Holding Sdn Bhd on deduction for buying the daily stuff, electrical and furniture from Felda Trading Sdn Bhd.</p>	
<b>4.4.5.4</b>	<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><b>- Minor compliance -</b></p>	There is no contractor employees in Wa Ha POM.	Yes
<b>4.4.5.5</b>	<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><b>- Major compliance -</b></p>	There is master file document for all workers with all information.	Yes
<b>4.4.5.6</b>	<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</p>	All the employment contract on the sampled workers as per 4.4.5.3 are sighted and available during the audit and signed by workers.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	for each and every employee indicated in the employment records. <b>- Major compliance -</b>		
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. <b>- Major compliance -</b>	The overtime is recorded in the punch card system and paid accordingly. Seen all the employees' punch cards with Borang Arahan/Kebenaran Kerja Lebih masa, Kerja Pada Hari Cuti Rehat & Kerja Pada Hari Cuti Umum for month Feb, June and Aug 2018 for the sampled workers in 4.4.5.3.	Yes
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. <b>- Major compliance -</b>	As per "Perjanjian Bersama Antara Felda Palm Industries Sdn Bhd dengan Kesatuan Pekerja-Pekerja Felda Palm Industries Sdn Bhd Semenanjung" which valid from 1/1/2016 – 31/12/2018 for mill workers, the working hour is 8 hours/day including 1 hour of breaktime. The overtime was recorded in daily basis in and stated in the Borang Arahan/Kebenaran Kerja Lebih masa, Kerja Pada Hari Cuti Rehat & Kerja Pada Hari Cuti Umum.	Yes
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. <b>- Major compliance -</b>	The payslip and the inputs were reviewed to confirm the wages and overtime is in line with legal requirements of Employment Act 1955 and worker's employment contract. Verified the worker's signature on the Borang Arahan/Kebenaran Kerja Lebih masa, Kerja Pada Hari Cuti Rehat & Kerja Pada Hari Cuti Umum.	Yes
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. <b>- Minor compliance -</b>	The company provides free medical benefit (panel clinic) and free housing to workers with rubbish collection, water and electric subsidy, football field and courts.	Yes
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	Wa Ha POM provides 1 worker with or without family is 1 house to be occupied.	Yes



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	- Major compliance -	<p>Water for domestic usage is provided from Syarikat Air Johor and Tenaga Nasional Berhad with subsidize rate as per collective agreement which are RM15/month for electric and 35 gallon/people/day or RM3.00/people/month with limit of RM15.00/month/family. Besides, government clinic was available in the complex where the employees can easily access to the medical facilities. The employees have provided with AIA Medical Card where they are allowed to visit any panel clinic without paying the medical fees.</p> <p>For Wa Ha POM, the linesite inspection conducted in weekly basis as per record Pemantauan Mingguan Perumahan Pekerja, Doc no: FGV/ML-1A/L4-F20 Issue 1 effective date: 01.06.2016. Since the workers in mill are all locals, they live in the Felda settler's neighborhood.</p> <p>There were extension of housing made in the linesite since the houses are since 1987 and only has 2 small rooms and no garage. The management aware on the extension been done long time ago and has budgeted the new houses in stages. As for current, only 14 units of houses budgeted for year 2019 for Wa Ha POM, with basic start date 01.07.2018 and basic finish date on 31.1.2.2018, Ruj Kilang: (08)4058/WH/870/18/M.</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 24.08.17 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.</p> <p>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. Seen the minutes of meeting for Gender Committee on 05.03.2018 and AJK Kelab Daya Budi on 30.01.2018. Among</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		activities conducted are Majlis Yassin Kumpulan at least 3 months once.	
<b>4.4.5.13</b>	<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><b>- Major compliance -</b></p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24.08.17 under 8.13, freedom of voicing and form a union. The policy has been briefed to workers on 10 October 2018 to all worker.</p> <p>The last Felda Palm Industries Sdn Bhd Union Association Cawangan Kilang Sawit Wa Ha meeting 1/2018 was conducted on 13.02.2018 attended by 9 workers and 15.07.2018 attended by 8 workers. There were issues discussed such as discipline, accident, housing maintenance, KPI and request to install street light.</p>	Yes
<b>4.4.5.14</b>	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p><b>- Major compliance -</b></p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24.08.17 under 8.9 Responsible Employment where the group prohibits any individual under the legal age to be employed in accordance with prevailing legislation in jurisdictions in which FGV Group operates. The policy has been communicated through policy training dated 09 October 2018 to all workers.</p> <p>Document reviewed on the list of workers confirmed that no employee under 18 years old was employed. During site visit to the field confirmed that no child labour was recruited in the plantations.</p>	v
<b>Criterion 4.4.6: Training and competency</b>			
<b>4.4.6.1</b>	<p>All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.</p> <p><b>- Major compliance -</b></p>	<p>All employees and contractors were appropriately trained based on specific competency as per following samples:</p> <ul style="list-style-type: none"> <li>- CePSWAM: Serial # CePSWaM/171876; Ainizam Mutalib; Validity period: 11/9/2017 – 11/9/2018</li> </ul>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- CEPPOME: Serial # CePPOME/170936; Muhammad Ehsan Hilmi; Validity period: 4/5/2017 – 4/5/2018</li> <li>- Authorized Gas Tester and Entrant Supervisor (AGTES); Serial # NW-NJHR-AGT-0059-P; Date: 22/2/2017</li> <li>- Competent Acknowledgement Engineer (Steam) Grade 2; Acknowledgement # 137/2014; Dated: 24/9/2014</li> </ul>	
<b>4.4.6.2</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Training needs established as per matrix table that identified programs and whom are required to be trained. Special/specific training identified as above were planned based on needs in case relevant competence person transferred or resigned. The other existing training plans mainly the SOP to promote individual workers improve their working skill.</p>	Yes
<b>4.4.6.3</b>	<p>A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p><b>- Minor compliance -</b></p>	<p>Training calendar with programs were established in align with management's direction to ensure all workers are trained in their respective job. Cross reference with workers verified that training were given to them from time to time.</p>	Yes
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Policy established as <i>Dasar Kualiti, Keselamatan, Kesihatan Pekerjaan dan Alam Sekitar</i> (Quality, Occupational Safety and Health and Environment Policy); Signed by: CEO FPISB; Rev. 10; Date: 20/11/2017; First issue: 10/8/1999. Sighted sample records of policy communication conducted on 9/10/2018.</p>	Yes
<b>4.5.1.2</b>	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p>	<p>Environmental management plan for mill covered both requirements as following:</p> <p>Aspect impact assessment:</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>b) The aspects and impacts analysis of all operations</p> <p><b>- Major compliance -</b></p>	<ul style="list-style-type: none"> <li>- Identification of Environmental Aspect and Evaluation of Significance Form # FPI/L4/QOHSE-1.7; Rev. 0 dated 15/8/2018</li> <li>- Significant Environmental Aspect and Impacts Register Form # FPI/L4/QOHSE-1.8; Rev. 0 dated 15/8/2018</li> </ul> <p>Environmental objectives:</p> <ul style="list-style-type: none"> <li>- To reduce effluent pond desludging cost with dry-bed operation</li> <li>- To maintain diesel consumption &lt;0.90 liter/mt</li> <li>- Maximize recycle program</li> </ul>	
<b>4.5.1.3</b>	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>Mitigation measure is established based on identified significant aspect from the environmental aspect and impact evaluation. In general, among the examples of mitigation measures are:</p> <ul style="list-style-type: none"> <li>- Implementation of standard and/or safe operating procedure</li> <li>- Implementation of emergency response plan</li> <li>- Provision of premix area</li> <li>- Construction of oil trap</li> <li>- Recycling wastes</li> </ul>	Yes
<b>4.5.1.4</b>	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p><b>- Minor compliance -</b></p>	<p>The mill is consistently monitoring its effectiveness of mitigation measures through various mechanism such as analysis of ETP final discharge, analysis of monsoon drain discharge, scheduled wastes movements and monitoring of smoke emissions through CEMS and stack sampling, to name a few.</p>	Yes
<b>4.5.1.5</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Training and awareness program established on annual basis as above. Sighted sample of relevant training as per following sample:</p> <ul style="list-style-type: none"> <li>- Lab &amp; Effluent SOP dated 9/3/2018</li> <li>- Chemical handling training for Lab, Boiler &amp; Store worker 13/4/2018</li> </ul>	Yes
<b>4.5.1.6</b>	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are</p>	<p>Environmental related matters were discussed mainly during the weekly workers assembly where workers were always encouraged to</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	discussed. <b>- Major compliance -</b>	discuss environmental issues with the management.  Continuous awareness training through the Understanding and Awareness of the Company's Policy training has been carried out on 9/10/2018 by the company to its workers and other stakeholders	
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>			
<b>4.5.2.1</b>	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 to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period <b>- Major compliance -</b>	The mill and estate consistently monitored their fossil fuel consumption and kept records in order to get the information about efficient consumption. Among the management plans to improve efficiency were to ensure mill operation is running smoothly without interruption, therefore maximize the usage of turbine and eventually minimize the usage of generator set; to practice maintenance of machinery (such as tractors, vehicles and shovel) on schedule and continuous education to operators who handle the machinery so that the unnecessary running hours can be minimized.	Yes
<b>4.5.2.2</b>	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. <b>- Major compliance -</b>	It was already part of the environmental objectives that the mill to maintain diesel consumption <0.90 liter/mt through the alternate use of 2 units of 250kW diesel genset when the process is not running.  Diesel consumption for vehicles were also included based on the monitoring of the vehicle's mileage. Combined average diesel consumption as of September 2018 was 0.99 liter/mt FFB processed.	Yes
<b>4.5.2.3</b>	The use of renewable energy should be applied where possible. <b>- Minor compliance -</b>	The mill use 100% renewable energy source via 2 units of 1.6 MW & 650kW stream turbines when the process runs. The source of the fuel were biomass boiler that consumed the palm mesocarp fibers and shells.	Yes
<b>Criterion 4.5.3: Waste management and disposal</b>			
<b>4.5.3.1</b>	All waste products and sources of pollution shall be identified and documented.	The types of wastes were generally identified through the evaluation of environmental aspect and impact as mentioned in 5.1.1. Thereafter,	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	documented in RSPO-P8/C5.3/5.3.1 form. The form has the information about: <ul style="list-style-type: none"> <li>- Type of wastes – e.g. fertilizer bags, plastic, glass, iron, paper, used PPE, HDPE containers, organic wastes, POME, EFB, shell, fibre, used oil, used oil filter</li> <li>- Method of disposal – generally to reduce, reuse and recycle</li> </ul>	
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>The disposal plan was documented in RSPO-P8/C5.3/5.3.1 form. Generally, the methods are to reduce, reuse and recycle. Among the evidence sighted as following samples:</p> <ul style="list-style-type: none"> <li>- Sales of scrap iron – sold to HBM Network (M) Sdn Bhd on 15/3/2018, 10.01 mt, weighbridge ticket no. 08025750</li> <li>- Used filters – sent o Kualiti Alam Sdn Bhd on 18/4/2018, 1 drum, Consignment note #0118630</li> <li>- Spent oil – sent to Kualiti Alam Sdn on 18/4/2018, 3 drums x 200lt, CN# 0118626</li> <li>- Spent hydraulic oil – sent to Kualiti Alam Sdn on 18/4/2018, 2 drums x 200lt, CN# 0118629</li> <li>- BAS – spent oil – taken back by the service provider</li> </ul>	Yes
4.5.3.3	<p>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>At the mill, most chemicals used were for boiler water treatment. The empty containers were normally returned to the supplier (Maju Perawatan Air dan Alam Sekitar Sdn Bhd) as per SOP of Waste Management; Doc. # FPI/L2/QOHSE-9.0; Issue 2; Rev. 0; Dated 2/1/2018.</p> <p>For other contaminated chemical containers which mainly for laboratory use, disposal was done via scheduled waste as per sample SW disposal consignment # 0122544; Dated: 13/10/2018 for SW 410; SW 109 # 0122545; SW 305 # 0122546;</p>	Yes

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. <b>- Minor compliance -</b>	The disposal of domestic waste materials is guided by the established procedures that are fully understood by workers.	Yes
<b>Criterion 4.5.4: Reduction of pollution and emission</b>			
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. <b>- Major compliance -</b>	The assessment of polluting activities was conducted through the Environmental Aspect and Impact Evaluation procedure [FPI/L2/QOSHE-1.0C]. This includes the gaseous emissions, particulate/soot emissions and effluent. The identification of Environmental Aspects and Evaluation of Significance Form [FPI/L4/QOSHE-1.7 Pind 0] was used to identify and evaluate the environmental aspect and impact. The evaluation was divided by workstations such as loading ramp, sterilizer, trashing & press, incinerator, oil room, bulk storage tank, raw water treatment plant, boiler, ETP, laboratory, diesel tank, workshop, SW store, EFB stock pile to name a few. Significant Environmental Aspect and Impacts Register Form [FPI/L4/QOSHE-1.8 Pind 0] was used to register the mitigation method which basically link to the Manual Operation procedures.  The evaluation of EAI was last updated on 3/2/2018 – format of EAI includes the following: <ul style="list-style-type: none"> <li>- Dept./process</li> <li>- Aspect</li> <li>- Impact (type &amp; score)</li> <li>- Usage/discharge quantity (per month or day)</li> <li>- Impact mitigation method and comments</li> </ul>	Yes
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. <b>- Major compliance -</b>	Significant pollutants were identified through evaluation of aspect and impact. Emission of GHG was identified and the main sources were generation of mill effluent and consumption of diesel. Based on the mitigation method spelt out in EAI register form [FPI/L4/QOSHE Pind 0], the plans are: <ul style="list-style-type: none"> <li>- to set up a methane gas capture</li> </ul>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>- to control the consumption of water/mt FFB at 1:1 ratio</p> <p>- regular maintenance of diesel powered machinery.</p> <p>For boiler stack (soot) emissions, monitoring was conducted as per DOE license requirement as per sample reports sighted i.e. Stack Emission Report for FPISB Kilang Sawit Wa Ha; Report ref. # CKB/2P(2)/(19)/1805-2; Monitoring date: 22/5/2018; Report date: 6/6/2018; by Maju Perkasa Sdn. Bhd. Records shown parameters monitored were within limit of EQ (Clean Air) Reg. 2014.</p>	
<b>4.5.4.3</b>	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p><b>- Major compliance -</b></p>	<p>POME discharge was in compliance with the mill DOE license and monitored its discharged parameters on monthly basis for mandatory Online Environmental Reporting (OER) required by DOE. Sighted a sample of an analysis for final discharge of POME done on 3/7/2018 analyzed by FPISB Makmal Analisis Bukit Besar, Felda Bukit Besar as per analysis certificate # MAP 665/18; Date: 18/7/2018 shown the BOD result at 20ppm which is lower than the licensed 100ppm. Other parameters monitored including COD, pH, TSS, TDS, O&amp;G, AN &amp; TN were also within the limit of 2<sup>nd</sup> Schedule [Reg. 12(2) &amp; (3)] EQ (Prescribed Premises) (Crude Oil Palm) Reg. 1977.</p>	Yes
<b>Criterion 4.5.5: Natural water resources</b>			
<b>4.5.5.1</b>	<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>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>The water management plan was established to cover maintenance of both availability and quality of water source which includes monitoring of discharge water quality as well as process and domestic water consumption. Sighted records shown todote water consumption as of September 2018 was at 1.26 liter/mt FFB processed.</p>	Yes



Criterion / Indicator		Assessment Findings	Compliance
	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.). <b>- Major compliance -</b>		
<b>4.5.5.2</b>	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. <b>- Major compliance -</b>	Based on DOE license issuance, the mill maintained to comply its permit requirements accordingly.	Yes
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Mill Management</b>			
<b>4.6.1.1</b>	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. <b>- Major compliance -</b>	Standard operating procedures were appropriately documented as per sampled <i>Manual Prosedur Kualiti, Keselamatan, Kesehatan Pekerjaan dan Alam Sekitar (QOHSE) di Kilang Sawit FPISB</i> ; Distributed date: 2/1/2008; Rev. 10; Rev. date: 15/9/2014. Implementation consistency was monitored through internal control including internal audit team, mill advisory and top management visits.	Yes
<b>4.6.1.2</b>	All palm oil mills shall implement best practices. <b>- Major compliance -</b>	Best practices were implemented as per SOP requirements such as the Chemical Control and Handling ( <i>Kawalan Bahan Kimia</i> ); FPI/L2/QOHSE-8.0 implementation.	Yes
<b>Criterion 4.6.2: Economic and financial viability plan</b>			
<b>4.6.2.1</b>	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. <b>- Major compliance -</b>	A 5 years business management plan was documented as per <i>Lampiran 1A – Panduan PC (Rancangan 5 Tahun)</i> which details out the business operation revenue expenses plan for the year 2018-2022 with the assumption of emolument increment of 6% annually.	Yes
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			

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><b>- Major compliance -</b></p>	<p>All the FFB suppliers' contract and payment are managed under Head Quarters level while for operational level, the contracts are available in mill and estate. Contract is signed within both parties in Surat Perintah Kerja. The terms and conditions available as addendum to the contract above in the project.</p> <p>As per contract agreement (Surat Perintah Kerja) signed between Wa Ha POM and Contractors, the pricing is agreeable and verified in the payment voucher in timely manner.</p> <p>Sampled taken for W&amp;L Enterprise and Muhammad Idris Bin Daud.</p>	Yes
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p><b>- Major compliance -</b></p>	<p>As per contract agreement signed between Estate and Contractors, the pricing is agreeable and verified in the payment voucher in timely manner.</p> <p>Sampled taken for W&amp;L Enterprise, dated 28.05.2018 invoice no: W10024 for RM 9,300. Seen the payment voucher no: 351980406 dated 07.06.2018 for RM 9,300 and Muhammad Idris Bin Daud, dated 27/08/2018, invoice no: IMID123/18 for RM 2,500.</p>	Yes
<b>Criterion 4.6.4: Contractor</b>			
4.6.4.1	<p>In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.</p> <p><b>- Major compliance -</b></p>	<p>There is letter as a declaration for the contractor that they are briefed about MSPO certification and will comply with the requirement. Other than that, contractor also will allow if auditor want to have access to documents, operation checking and interview the contractor's worker. Seen the letter signed by representative from W&amp;L Enterprise on 02.02.2018 and Muhammad Idris Bin Daud on 01.02.2018.</p>	Yes
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p><b>- Major compliance -</b></p>	<p>The agreement between contractors is sighted (Surat Perintah Kerja) signed between Wa Ha POM and Contractor, the pricing is agreeable and verified in the payment voucher in timely manner.</p> <p>Sampled taken for W&amp;L Enterprise and Muhammad Idris Bin Daud.</p>	Yes
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify</p>	<p>There is letter as a declaration for the contractor that they are briefed about MSPO certification and will comply with the requirement. Other than</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	the assessments through a physical inspection, if required. <b>- Minor compliance -</b>	that, contractor also will allow if auditor want to have access to documents, operation checking and interview the contractor's worker. Seen the letter signed by representative from W&L Enterprise on 02.02.2018 and Muhammad Idris Bin Daud on 01.02.2018.	

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Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	A policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	Group Sustainability Policy, Policy No: FGV/SED/POL/001 rev 1 dated 24.8.17 has includes the MSPO implementation is established and publicly available.	Yes
<b>4.1.1.2</b>	The policy shall also emphasize commitment to continual improvement. <b>- Major compliance -</b>	The policy explain that FGV is supporting the MSPO and committed to ensure that all FGV operation comply with MSPO.	Yes
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	Internal audit was planned and conducted as per the documented Internal audit procedure, Doc No: FGV/ML-1A/L2-Pr11, issue 1, version 0 dated 01.06.2016. Annual audit schedule for 2018 was scheduled for April. The MSPO internal audit was carried out together with RSPO as Sustainability Audit on 21.02.2018 by Plantation Sustainability Department team.	Yes
<b>4.1.2.2</b>	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. <b>- Major compliance -</b>	The Internal audit procedure, Doc No: FGV/ML-1A/L2-Pr11, issue 1, version 0 dated 01.06.2016 was used as reference for audit process. Audit results of both audits were documented under internal audit summary. The audit resulted of 31 Major and 1 Minor NCs and 736 marks.	Yes

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Criterion / Indicator		Assessment Findings	Compliance
<b>4.1.2.3</b>	Report shall be made available to the management for their review. <b>- Major compliance -</b>	Sighted the internal audit checklist for Sustainability 2018 dated 21.02.2018 which comprising RSPO and MSPO audit findings.	Yes
<b>Criterion 4.1.3 – Management Review</b>			
<b>4.1.3.1</b>	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. <b>- Major compliance -</b>	FGVPM Bukit Aping Selatan Estate has conducted the MSPO management review on 11.10.2018, Document no: 01/2018, attended by 10 people. Among the issues discuss are audit results, customer satisfaction, aspect & impact for environments and social, replanting, management and continuous improvement.	Yes
<b>Criterion 4.1.4 – Continual Improvement</b>			
<b>4.1.4.1</b>	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. <b>- Major compliance -</b>	FGVPM Bukit Aping Selatan Estate has the continual improvement plan for environmental and social issues such as: <ol style="list-style-type: none"> <li>1. Additional barn owl boxes</li> <li>2. Increase cattle area</li> <li>3. Increase the beneficial plants</li> <li>4. Using machine for grass cutting in harvesting path</li> </ol>	Yes
<b>4.1.4.2</b>	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption. <b>- Major compliance -</b>	Bukit Aping Selatan Estate has initiated the usage of Rotor Slasher to improve the operation efficiency.	Yes
<b>4.1.4.3</b>	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable)	Sighted the progress record for September 2018 withh workers ratio per hectare.4.3.1	Yes

Criterion / Indicator		Assessment Findings	Compliance
	shall be established. - Major compliance -		
<b>4.2 Principle 2: Transparency</b>			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
<b>4.2.1.1</b>	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 -	Adequate information covering on environmental, social and legal issues which are relevant to MSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the stakeholders, Regulatory Departments such as DOSH and DOE visiting log book were attended accordingly.  In Bukit Aping Selatan Estate, there is Visitor Book (Buku Daftar Pelawat) to records all the input from visitors such Mr Fairuz (computer asset review visit) on 03.09.18 and Me Mohd Nazri (Line site visit) on 08.10.2018.	Yes
<b>4.2.1.2</b>	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	The management has keep the records from all stakeholders such as JKKP book, visitor’s logbook and complaint book.	Yes
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	FGVPM has established SOP on Communication, Participation and Consultation with Doc. Ref. No. FGV/ML-1A/L2-Pr12 issue 1 effective date 01.06.16. For internal communication, among the methods of communication such as below: <ul style="list-style-type: none"> <li>a. Morning briefing</li> <li>b. Letter circulation</li> <li>c. Notice board and memo</li> <li>d. Continuous campaign</li> <li>e. Officer inspection</li> <li>f. Monthly meeting</li> <li>g. Suggestion box</li> </ul> For external stakeholder, the methods of communication used are:	Yes

Criterion / Indicator		Assessment Findings	Compliance
		a. Complaint book b. Stakeholder’s meeting  The timeline for the complaints solved is 2 weeks for responds and 1 week for investigation.	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.  <b>- Minor compliance -</b>	In Bukit Aping Selatan Estate, the person responsible for social is Assistant Manager, Mr. Khamis Abu Samah as per appointment letter dated 10.01.18.	Yes
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.  <b>- Major compliance -</b>	Bukit Aping Selatan Estate has developed a stakeholder list which last reviewed on 2018. The list included FFB suppliers, suppliers, NGOs, contractors, government authorities and local communities.  Stakeholder meeting was conducted on 4 October 2017 in JB and Kluang region for Bukit Aping Selatan with the participation of contractors, government bodies and nearby estates. The meeting minutes and attendant list is sighted. Actions have been taken to resolve the issues raised during the meeting.	Yes
<b>Criterion 4.2.3 – Traceability</b>			
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).  <b>- Major compliance -</b>	FGVP as a group has SOP for Supply Chain and Traceability Doc No: FGV/ML-1A/L2-Pr23 Issue 1 rev 0 dated 01.06.2018. There is a flow chart include the responsible person and which documents as references for RSPO/MSP0 certified product. If there is any wrong data detected in daily figure report, the correction will be done in Weighbridge and Mill Performance Report.	Yes
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system.  <b>- Major compliance -</b>	Records showed that management conducted regular inspections on compliance with the established traceability system. Example seen for Internal Audit report.	Yes
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system.	The person having overall responsibility for and authority over the implementation is Muhammad Hafiz as person in charge for Traceability. Sighted the appointment letter dated 15.03.2018.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained.  - Major compliance -	Records of harvesting and transportation of Fresh Fruit Bunches were maintained at the Estate.  Example of records evidence is the daily record of Buku Pengantaran BTB ke Kilang.	Yes
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.  - Major compliance -	Estate operation implement the operation as per own requirements of procedure <i>Pematuhan Undang-undang</i> ; Doc. # ML-1A/L2-Pr6(0); Rev. 0; Effective date: 1/6/2016 which based on permit and license conditions including:  - MPOB License # 616064002000; Validity period: 1/1/2018 -31/12/2018; Serial # 186223  However it was sighted that no evidence of permit of purchase and storage of petrol as per identified <i>Peraturan-peraturan Kawalan Bekalan 1974</i> requirements for petrol storage. Hence a major noncompliance has been raised on this matter.	Major noncompliance
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register.  - Major compliance -	List established as Register of Legal and Other Requirements; Estate: Bukit Aping Selatan as per sample:  - Akta Perhubungan Perusahaan 1967; Form # ML-1A/L5-AP5; Rev. 0; Dated: 21/2/2018  - Peraturan-peraturan Kawalan Bekalan 1974; Form # ML-1A/L5-AP6; Rev. 0; Dated: 21/2/2018  - Employment Act 1955; Form # ML-1A/L5-AP11; Rev. 0; Date: 1/1/2018  - Employment Information Act 1953; Form # ML-1A/L5-AP27; Rev. 0; Date: 1/1/2018  - Workers Minimum Housing and Amenities Standard Act 1990; Form # ML-1A/L5-AP20; Rev. 0; Date: 1/1/2018	Yes
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments	Estate established and implemented the procedure of <i>Sistem Semakan Perubahan Undang-undang</i> ; Doc. Type: Guideline; Date:	Yes

Criterion / Indicator		Assessment Findings	Compliance
	or any new regulations coming into force. <b>- Major compliance -</b>	23/6/2016; Rev. 4 for updating of any new amendments or new regulations coming into force.	
<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. <b>- Minor compliance -</b>	Estate manager was assigned as the overall responsible person to monitor compliance with assistance by assistant managers and officers to track and update changes in regulatory requirements.	Yes
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. <b>- Major compliance -</b>	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.	Yes
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. <b>- Major compliance -</b>	Bukit Aping Selatan Estate has the summary of land titles with land ownership (FGV lease from FELDA): 717.51 Ha and in progress of FGV lease to FELDA (844.51 Ha).: HS(M) 155 1.12 Ha and H.S.(D) 19968 5.93 Ha. The conditions is to be used for 99 years for Oil Palm Plantation only. Sampled below quit rent:  Lot No: PTD 985, Ownership reference: 010409HSM00000155, receipt no: 3005180404550687, RM 35 dated 30.05.2018 and Lot No: PTD 986, Ownership reference: 010403HSM00000286, receipt no: 3005180404550679, RM 35 dated 30.05.2018.	Yes
<b>4.3.2.3</b>	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. <b>- Major compliance -</b>	Sampled the pegging 114 PM 10P Block 18 bordering with the settlers block available and well maintained.	Yes
<b>4.3.2.4</b>	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been	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 however, FPIC SOP Pengenalpastian & Penyelesaian Pertikaian Tanah is available as per FGV/ML-1A/L2-Pr10 issue 1, dated 01.06.2016	Yes



Criterion / Indicator		Assessment Findings	Compliance
	accepted with free prior informed consent (FPIC). <b>- Minor compliance -</b>		
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. <b>- Minor compliance -</b>	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. <b>- Major compliance -</b>	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. <b>- Minor compliance -</b>	SIA for each unit evident as below: Laporan Penilaian Impak Sosial FGVM Bukit Aping Selatan was conducted by Plantation and Sustainability Department (PSD) on 22.02.2018.  The assessment conducted was involved site visits, document reviewed and interviewed with the relevant stakeholders such as workers, contractors and external stakeholders. The positives and negatives impacts also addressed and solved within the timeframe (2017/2018).	Yes
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	A system for dealing with complaints and grievances shall be established and documented. <b>- Major compliance -</b>	FGVM- Wa Ha POM has developed a SOP on Handling Complaints and Grievances with Doc. Ref. No. FGV/ML-1A/L2-Pr13, Issue 1 with effective date 01.06.16. The procedure has covering below scope: <ul style="list-style-type: none"> <li>• Project management issue</li> <li>• Housing maintenance</li> <li>• Estate management</li> </ul>	Yes

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>Complaint on amenities</li> <li>Complaint on worker's welfare</li> <li>Freedom of expression in meeting</li> </ul> <p>As references, the Policy and Procedure on whistleblowing, Ministry of Human Resource website and Akta Perhubungan Perusahaan 1967 were cross-referenced.</p> <p>There were internal (5 steps) and external complaint steps need to be followed.</p>	
4.4.2.2	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p><b>- Major compliance -</b></p>	<p>The complaints were related to house repair work was recorded in during the linesite inspection while for other complaints were recorded in Buku Aduan &amp; Rungutan. The management has taken action to rectify the problems. The complainants have acknowledged after the problems been rectified. For example:</p> <ol style="list-style-type: none"> <li>Broken Door: 20.09.2018</li> <li>Broken pipe head: 14.08.2018</li> </ol>	Yes
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p><b>- Minor compliance -</b></p>	<p>The complaint medium is through complaint book for other complaints.</p>	Yes
4.4.2.4	<p>Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p><b>- Minor compliance -</b></p>	<p>Medium for complaint is through website, suggestion box in office and complaint book and communicated through SIA, stakeholder consultation and public memo (openness to general document) on the complaint procedure and person in charge.</p>	Yes
4.4.2.5	<p>Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.</p> <p><b>- Major compliance -</b></p>	<p>As per records in complaint book, all the request are solved and the records are kept for 2018.</p>	Yes
<p><b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b></p>			
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</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 is for the protecting both endangered species of Rafflesia and Sunbear.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	For operational level, Bukit Aping Selatan Estate, there was a donation for Raya celebration 2018 to all workers which are RM150/people for locals and RM50/people for foreigners.	
<b>Criterion 4.4.4: Employees safety and health</b>			
<b>4.4.4.1</b>	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.  - Major compliance -	Occupational safety and health (OSH) policy established as Group Sustainability Policy; Policy # FGV/SED/POL/001; Rev. 0.0; Effective date: 1/9/2016. Policy briefing 2/7/2018 by the estate management to all workers. OSH plan was established based on the work stations within estate. Sighted the Risk Hazard Identification Form Borang HIRADC ( <i>Pengenalpastian Hazad, Penilaian Risiko dan Penentuan Kawalan</i> ); Form # FGVPML4/PP-1.2; Rev. 0.	Yes
<b>4.4.4.2</b>	The occupational safety and health plan shall cover the following:  a) A safety and health policy, which is communicated and implemented.  b) The risks of all operations shall be assessed and documented.  c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:  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	<i>Manual Lestari 1A – Justifikasi Penggunaan Bahan Kimia</i> ; Doc. Type: Guideline; Doc. # ML-1A/L3-GP1(0); Date issued: Mac 2012  Medical Surveillance (OSH Regulation 1994, USECHH 2000) For Workers of Ladang Felda Bukit Aping Selatan Kota Tinggi Johor; 20/2/2018  Result (recommendation) - Repeat Cholinesterase in 6 month for following:  - Md. Abjal Hossain; Sprayer; Passport # BA0777125 - Sunil; Sprayer; Passport # P5130743 - Rajib SK; Sprayer; Passport # N9763442  All occupational hazards and risks were assessed via <i>Borang HIRADC (Pengenalpastian Hazad, Penilaian Risiko dan Penentuan Kawalan)</i> ; Form # FGVPML4/PP-1.2; Rev. 0. Control implementation including PPE issuance were demonstrated by estate management and workers.  SOP was established as per sighted Sustainable Oil Palm Estate Manual ( <i>Manual Ladang Sawit Lestari</i> ) and Safety Manual ( <i>Manual Keselamatan</i> ) both version June 2012 which includes Safe handling of chemical mixing/application and Use & Standard Exposure of Chemical Hazardous to Health (USECHH) 2000 plans.	Yes

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	<p>Assessment and Risk Control (HIRARC).</p> <p>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> <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</p>	<p>Management appointed safety committee members consists of both management and employee representatives as per sighted letter ref. # (01) 4058/WH/QOHSE/Perlantikan; Dated: 1/2/2017.</p> <p>Regular two-way communication often done through safety committee meeting and periodically through the daily muster assembly.</p> <p>Accident and emergency procedures are available in adherence to the FGVP on Crisis Management &amp; Emergency Response plan, Accident and Reporting and Investigation Procedure and emergency preparedness and response in the manual which were last updated on 18/11/15. The estate identified the following emergency event requiring an emergency response plan (Prosedur KKP):</p> <ul style="list-style-type: none"> <li>- Kecelakaan Parah</li> <li>- Kebakaran (Fire)</li> <li>- Kecelakaan Ringan</li> <li>- Banjir Di Ladang</li> </ul> <p>There were formations of ERP Team &amp; ERP for all the identified incidences. The organisation chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedures guidelines were produced by CDD unit and amended to tailor to the situation differences in the estates and mills. Sighted Fire Drill was conducted by the estates on 16/9/17.</p>

Criterion / Indicator		Assessment Findings	Compliance
	periodically at quarterly intervals. <b>- Major compliance -</b>		
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees. <b>- Major compliance -</b>	Felda Global Ventures Plantations (M) Sdn Bhd has developed Human Rights Policy with Doc. No. ML-1A/L1- Po12(0) dated 1/6/2014. FGV is committed and support human rights. Briefing of the policy was conducted on 02.07.2018 to 12 workers.	Yes
<b>4.4.5.2</b>	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. <b>- Major compliance -</b>	Felda Global Ventures Plantations (M) Sdn Bhd has Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24.08.17 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.	Yes
<b>4.4.5.3</b>	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. <b>- Major compliance -</b>	Collective Agreement was made between FGV Plantations (M) Sdn Bhd and Workers' Association for FGV Plantations (Malaysia) Sdn Bhd (Semenanjung) which effective from 1/1/2016 – 31/12/2018. The collective agreement has detailed out all the wages, annual leave, welfare and amenities, discipline and etc.  Employment contracts/ Offer letters are available in language that understood by workers. The contract has detailing the payments whereas the employment conditions such as period of working, working hour, medical assistance, transportation provided, holiday and annual leave, termination of services and etc. The offer letter/ contract was signed by the workers and sampled as below:  5. Employee id (Bukit Aping Selatan Estate): FW0668044	Yes

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		<p>6. Employee id (Bukit Aping Selatan Estate): FW06680059</p> <p>7. Employee id (Bukit Aping Selatan Estate): FW06670925</p> <p>8. Employee id (Bukit Aping Selatan Estate): FW0668044</p> <p>Seen the payslip found that deduction of salary was implemented. The deduction of salary are such as EPF &amp; SOCSO (Locals), Electricity, Water and etc. Consent letter signed by the workers on the stated items and approval letter from Jabatan Buruh Semenanjung Malaysia:</p> <p>6. 25.10.96 to Felda Palm Industries Sdn Bhd with Ref. No. (13)010/HQ/840A/61 to make deduction on salary for Skim Perumahan FPISB, Skim Koperasi Permodalan Felda Berhad (KPF); Yuran Asrama Semai Bakti; Bayaran Rawatan Perubatan/Bersalin; Tabung Kebajikan Felda; Yuran Kelab Sukan Rekreasi (KSRF); Skim Pinjaman Kenderaan FPISB; Skim Insuran Takaful Berkelompok dan Bayaran Bil Elektrik dan Air.</p> <p>7. 13.5.1999 with Ref. No. PP3/34/0247 for all Felda and Subsidiaries Company for the deductions on Insurans Hayat (Barakah) and Pendidikan Iqra' dari Syarikat Takaful National.</p> <p>8. 05.02.2005 to Felda Palm Industries Sdn Bhd with Ref. No. PP3/34/1013 for the deduction of yuran bulanan Badan Kebajikan Petugas Felda Palm Industries.</p> <p>9. 26.04.2016 with ref no: (22)dml BHG. PU/9/129 Jld 23 for FGV Plantations (Malaysia) Sdn Bhd for the deduction on salary for excess of electric bill, water bill and medical bill.</p> <p>10. 20.09.2000 to Felda Holding Sdn Bhd on deduction for buying the daily stuff, electrical and furniture from Felda Trading Sdn Bhd.</p>	
<b>4.4.5.4</b>	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed	In Bukit Aping Selatan Estate, the contractors are only FFB transporters which Jasa JMS Engineering & Trading and Othman Bin Jasin. Seen the pay slip for Jasa JMS Engineering &	Yes

Criterion / Indicator		Assessment Findings	Compliance
	between the contractor and his employee. <b>- Minor compliance -</b>	Trading as below comply with the minimum wage as below: 1. Worker id: JMS 002 for Sept 18 2. Worker id: JMS 002 for Aug 18 3. Worker id: JMS 001 for Aug 18 4. Worker id: JMS 001 for Jul 18	
<b>4.4.5.5</b>	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. <b>- Major compliance -</b>	There is master file document for all workers with all information.	Yes
<b>4.4.5.6</b>	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. <b>- Major compliance -</b>	All the employment contract on the sampled workers as per 4.4.5.3 are sighted and available during the audit and signed by workers.	Yes
<b>4.4.5.7</b>	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. <b>- Major compliance -</b>	The overtime is recorded in the punch card system and paid accordingly. Seen all the employees' punch cards with the form titled 'Borang Arahan/Kebenaran Kerja Lebih Masa, Kerja Pada Hari Cuti Rehat dan Kerja' pada hari cuti Umum filled up by workers for the overtime. Seen the overtime record for office workers while no overtime offer to the general workers.	Yes
<b>4.4.5.8</b>	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet	As per employment contract, the working hour is 8 hours/day. Seen all the employees' punch cards with the form titled 'Borang Arahan/Kebenaran Kerja Lebih Masa, Kerja Pada Hari Cuti Rehat dan Kerja' filled up by workers for the overtime. Seen the overtime record for office workers while no overtime offer to the general workers.	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	the applicable legal requirement. - Major compliance -		
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 -	The payslip and the inputs were reviewed to confirm the wages and overtime is in line with legal requirements of Employment Act 1955 and worker's employment contract. Verified the approval on the the overtime form signed by estate manager for payment.	Yes
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 -	The company provides free medical benefit of RM 200/year and free housing to foreign workers.	Yes
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 -	In Bukit Aping Selatan Estate, the workers live in dormitory house. Estate has the plan to build the new housing complexes as per budget RM 599,200.00 for Asrama Pekerja (2018) and RM 1,498,000.00 for Rumah Pekerja, RM 205,000.00 for Rumah Kakitangan L5 and RM 180,000.00 for Rumah Kakitangan L2.  Water for domestic usage is provided from Jabatan Bekalan Air and Tenaga Nasional Berhad with subsidize rate as per collective agreement which are RM15/month for electric and 35 gallon/people/day or RM3.00/people/month with limit of RM15.00/month/family. Besides, government clinic was available in the complex where the employees can easily access to the medical facilities. The employees have provided with AIA Medical Card where they are allowed to visit any panel clinic without paying the medical fees.  In Bukit Aping Selatan Estate, the linesite inspection been conducted by Kerani HEP in weekly basis. Seen the record for August, September and October 2018.	Yes
4.4.5.12	The management shall establish a policy and provide	Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc	Yes



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Criterion / Indicator		Assessment Findings	Compliance
	<p>guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p><b>- Major compliance -</b></p>	<p>No: FGV/SED/POL/001 dated 24.08.17 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.</p> <p>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. Seen the minutes of meeting Gender Committee as the medium to discuss about gender committee issue on 22.02.2018.</p>	
<b>4.4.5.13</b>	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p><b>- Major compliance -</b></p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24.08.17 under 8.13, freedom of voicing and form a union. The policy has been briefed to workers on 13 September 2018 to all 30 people.</p> <p>For Bukit Aping Selatan Estate, the minutes of meeting sighted for 'Minit Mesyuarat Kesatuan Pekerja on 06.02.18 attended by 10 people includes the foreign workers representative.</p>	Yes
<b>4.4.5.14</b>	<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 is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not be exposed to hazardous working conditions.</p> <p><b>- Major compliance -</b></p>	<p>Felda Global Ventures Plantations (M) Sdn Bhd has developed Group Sustainability Policy, Doc No: FGV/SED/POL/001 dated 24.08.17 under 8.9 Responsible Employment where the group prohibits any individual under the legal age to be employed in accordance with prevailing legislation in jurisdictions in which FGV Group operates. Briefing of the policy was conducted on 02.07.2018 Bukit Aping Selatan Estate to all workers.</p> <p>Document reviewed on the list of workers confirmed that no employee under 18 years old was employed. During site visit to the field</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		confirmed that no child labour was recruited in the plantations.	
<b>Criterion 4.4.6: Training and competency</b>			
<b>4.4.6.1</b>	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.  <b>- Major compliance -</b>	Training programs has been established on annual basis with training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of operations and sustainability (RSPO & MSPO) such as related to ESH, SOPs, chemical handlings, emergency response and etc.	Yes
<b>4.4.6.2</b>	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.  <b>- Major compliance -</b>	Training needs were based on individuals and operational requirements as and when needed. For example, some workers were identified to attend the following trainings:  <ul style="list-style-type: none"> <li>- ESH Legal &amp; Other requirements</li> <li>- Safe handling of chemical mixing/application</li> <li>- Use &amp; Standard Exposure of Chemical Hazardous to Health (USECHH) 2000</li> <li>- Accident Investigation Techniques/Document</li> <li>- Emergency Respond Plan Training (e.g. Chemical spill, poisoning, Fire. Lightning)</li> <li>- Competent First Aider Training</li> <li>- First Aid Awareness Training – All Workers</li> <li>- Scheduled waste management</li> <li>- Safe Work Procedure for All Stations.</li> <li>- Tractors Driving/Maintenance Training</li> </ul>	Yes
<b>4.4.6.3</b>	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.  <b>- Minor compliance -</b>	As above, training programs were done annually and as or when required for all individuals relevant to operational.	Yes
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			

Criterion / Indicator		Assessment Findings	Compliance
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 -	As above, Occupational safety and health (OSH) policy established as Group Sustainability Policy; Policy # FGV/SED/POL/001; Rev. 0.0; Effective date: 1/9/2016. Policy briefing 2/7/2018 by the estate management to all workers.	Yes
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 -	OSH plan was established based on the work stations within estate. Sighted the Report of Environmental Aspect and Impact for Agricultural Activities ( <i>Laporan Aspek Impak Alam Sekitar Melalui Aktiviti Perladangan, Bahan Buangan dan Pencemaran</i> ); Doc. Type: RSPO 2018 (Criteria 5.1/5.3/5.6); Project: FGVM Bukit Aping Selatan; Doc. # 1/2018; Date: 6/9/2018	Yes
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 -	Environmental improvement plan established and implemented as the Identification of Aspect and Evaluation of Impact ( <i>Pengenalpastian Aspek Dan Penilaian Impek</i> ); Form # FGV/FGVPM/IV/IMS/15/1.6; Rev. 1; Date: 1/9/2018	Yes
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan.  - Minor compliance -	Programs to promote positive impacts included such as 3R (Reduce, Reuse & Recycle), zero plastic & polystyrene food packs programs and etc.	Yes
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 -	Awareness and training programs established as part of the annual training programs on annual basis.	Yes
4.5.1.6	Management shall organize regular meetings with employees where their	Regular two-way communication often done through environmental committee meeting and periodically through the daily muster assembly.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>concerns about environmental quality are discussed.</p> <p><b>- Major compliance -</b></p>		
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>			
<b>4.5.2.1</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>The estate consistently monitored their fossil fuel consumption and kept records in order to get the information about efficient consumption. Among the management plans to improve efficiency were to practice maintenance of machinery (such as tractors, vehicles and shovel) on schedule and continuous education to operators who handle the machinery so that the unnecessary running hours can be minimised.</p>	Yes
<b>4.5.2.2</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Diesel consumption for vehicles were based on the monitoring of the vehicle's mileage. Average diesel consumption as of September 2018 was 3.24 liter/mt FFB yield.</p>	Yes
<b>4.5.2.3</b>	<p>The use of renewable energy should be applied where possible.</p> <p><b>- Minor compliance -</b></p>	<p>No renewable energy use within estate operations except for in the mill process. However estate practice the use of POME from mill to apply on the field based on agronomist recommendations.</p>	Yes
<b>Criterion 4.5.3: Waste management and disposal</b>			
<b>4.5.3.1</b>	<p>All waste products and sources of pollution shall be identified and documented.</p> <p><b>- Major compliance -</b></p>	<p>Waste products and sources of pollution identified and documented as <i>Pengenalpastian Sumber &amp; Jenis Bahan Buangan 2018</i>:</p> <ul style="list-style-type: none"> <li>- <i>Bahan Buangan Terjadual</i></li> <li>- <i>Bahan Buangan Tidak Terjadual</i></li> <li>- <i>Bahan Buangan Sampingan Kilang &amp; Ladang</i></li> </ul>	Yes

Criterion / Indicator		Assessment Findings	Compliance
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> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p> <p><b>- Major compliance -</b></p>	<p>Waste management plan established based on the identified waste and other source of pollution as <i>Pelan Pengurusan Sisa Domestik dan Bahan Buangan Tahun 2018</i>:</p> <ul style="list-style-type: none"> <li>- Field operation: <i>Beg baja, tayar terpakai, besi buruk, kayu terpakai</i></li> <li>- Common waste: <i>Kertas, plastic, kaca, kain buruk, aluminium, barang elektronik, susa pukal, sisa domestic</i></li> </ul>	Yes
4.5.3.3	<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><b>- Major compliance -</b></p>	<p>SOP and disposal plan was documented in RSPO-P8/C5.3/5.3.1 form. Generally, the methods are to reduce, reuse and recycle. Among the evidence sighted:</p> <ul style="list-style-type: none"> <li>- Used filters – sent o Kualiti Alam Sdn Bhd on 18/4/2018, 1 drum, Consignment note #0118630</li> <li>- Spent oil – sent to Kualiti Alam Sdn on 18/4/2018, 3 drums x 200lt, CN# 0118626</li> <li>- Spent hydraulic oil – sent to Kualiti Alam Sdn on 18/4/2018, 2 drums x 200lt, CN# 0118629</li> </ul>	Yes
4.5.3.4	<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><b>- Major compliance -</b></p>	<p>Empty chemical containers were been triple rinsed and punctured prior to disposal. Most of the containers were returned back to the supplier while some been reused for chemical mixing.</p>	Yes
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the</p>	<p>Domestic waste from housing area was managed disposed of through landfill located within estate</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	environment and watercourses. <b>- Minor compliance -</b>	area which is more than 3km away from residential area and watercourses.	
<b>Criterion 4.5.4: Reduction of pollution and emission</b>			
<b>4.5.4.1</b>	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. <b>- Major compliance -</b>	The assessment of all polluting activities were included as part of the environmental aspect and impact assessment records and plan which identified the use of chemicals and fertilizers as main source of GHG emissions. Records sighted were:  - <i>Pelan Mengurangkan Pencemaran dan Pemantauan Kesan Perlepasan Gas Rumah Hijau (GHG) Tahun 2018/2019;</i>  - <i>Mengenalpasti Aktiviti Pencemar Alam dan Pelan Tindakan Untuk Mengurangkan Pencemaran 2018/2019</i>	Yes
<b>4.5.4.2</b>	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. <b>- Major compliance -</b>	Action plans to reduce the significant pollutants from the source of chemicals and fertilizers use were to apply based on agronomist recommendations and to consistently implement the integrated pest management (IPM) plan.	Yes
<b>Criterion 4.5.5: Natural water resources</b>			
<b>4.5.5.1</b>	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:  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	The water management plan consists of maintenance of quality and availability of water established as FGVPM: Bukit Aping Selatan; <i>Pelan Pengurusan Air Tahun 2018/2019</i> ; Updated: 25/1/2018. The plan also includes monitoring of water consumption which were sourced from government pipe supply and monitoring of river water quality. Sighted records of monitoring of river water i.e. <i>Rekod Semakan Permohonan Analisa; FPISB Makmal Analisa Bukit Besar</i> , Date: 12/10/2018.  The estate also established the river buffer and riparian zones within estate field area where natural water streams presence. The buffer zone area established based on the government's Department of Irrigation and Drainage guidelines. No any chemical spraying and manuring activities conducted within buffer zones.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>leakage, collection of rainwater, etc.).</p> <p>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.</p> <p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p><b>- Major compliance -</b></p>		
<b>4.5.5.2</b>	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p><b>- Minor compliance -</b></p>	<p>No any construction of bunds, weirs and dams across main rivers or waterways sighted passing through Wa Ha Estate.</p>	Yes
<b>4.5.5.3</b>	<p>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).</p> <p><b>- Minor compliance -</b></p>	<p>Rain water harvesting implemented mainly for chemical mixing purpose as well as trenches within estate field area.</p>	Yes
<b>Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value</b>			
<b>4.5.6.1</b>	<p>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:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be</p>	<p>Information of biodiversity available through the report of <i>Laporan Pengenalpastian Apek Bernilai Tinggi (HCV), Biodiversiti dan Pengurusannya</i>; Ladang Felda Wa Ha; 1/7/2011. Information covers identified biodiversity habitats including its flora and fauna presence. No any rare species presence within estate field area except within forest reserve nearby the estate boundary.</p>	Yes

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	<p>significantly affected by the grower(s) activities.</p> <p>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p><b>- Major compliance -</b></p>		
<b>4.5.6.2</b>	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p><b>- Major compliance -</b></p>	<p>Signage were installed within estate and boundary nearby the forest reserve to ensure no any illegal hunting activities occurred within estate field area. Awareness were given from time to time to all workers and to external stakeholders to discourage such activities and to prohibit trespassing to conserved areas.</p>	Yes
<b>4.5.6.3</b>	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p><b>- Major compliance -</b></p>	<p>Management plan was established with implementation of monitoring as per sighted records i.e. <i>Rekod Pemantauan Hidupan Liar &amp; Kawasan Sensitif 2018; 6/7/2018.</i></p>	Yes
<b>Criterion 4.5.7: Zero burning practices</b>			
<b>4.5.7.1</b>	<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>Use of fire for waste disposal was totally prohibited as per management's notification i.e. <i>Makluman Larangan Pembakaran Terbuka di Kawasan; Bil.: (40) FGVPM/PSQM/SPO/HQ/01; Tarikh: 24/7/2015.</i> Visit to estate field area</p>	Yes



Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	confirmed no replanting activities use fire for land preparation.	
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.  - Major compliance -	No any phyto-sanitary case occurs within estate that requires use of fire for treatment.	Yes
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 any allowed controlled burning activities applied by the estate to authorities.	Yes
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.  - Minor compliance -	Visit to estate replanting area confirmed that old palm were felled, mowed down, chipped, ploughed and mulched prior to replanting.	Yes
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Site Management</b>			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.  - Major compliance -	The estates operations are guided by the following manual and procedures established for the Group Estates. The manuals and documents were introduced on the various year i.e. manual lestari in June 2012. Thereafter being subject to review as changes are made with new work method and amendments in agricultural policies.  <ul style="list-style-type: none"> <li>- Manual Ladang Sawit Lestari</li> <li>- Manual Keselamatan</li> <li>- Manual Sustainability</li> <li>- Manual Greeding BTB – MPOB</li> <li>- Buku KUK 4 (Kadar Upah Kerja) Pekerja</li> <li>- Manual Perolehan (Procurement)</li> <li>- Pictorial Safety Standards</li> <li>- Security Guidelines.</li> </ul>	Yes

Criterion / Indicator		Assessment Findings	Compliance
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.  <b>- Major compliance -</b>	Manual Ladang Sawit Lestari Edisi III; Seksyen I – V; MLSL (Ed.3) Sec. 1 (1.0 - 20.0) Pen Tarikh Pindaan : 1 September 2017  MLSL (Ed.3) Sec. 2 (1.0) Tarikh Pindaan : 1 September 2017	Yes
4.6.1.3	A visual identification or reference system shall be established for each field.  <b>- Major compliance -</b>	Each field within estate were identified its field numbers and blocks based on the area and year of planting of the palm tree.	Yes
<b>Criterion 4.6.2: Economic and financial viability plan</b>			
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.  <b>- Major compliance -</b>	The annual business plan is available as per the Group Financial Procedure. & Guidelines. Both estates and the mill had a similar format i.e. in the form of annual budget with a 3 year projection (Budget year,2019, 2020) This business plan is prepared as guidance for the forthcoming year and future planning.  The mill budget ( <i>30 mt milling capacity</i> ) had the following component in the expenditure details.  a) Manning Level - Total no of employees required at each station. b) FFB Source and annual estimate c) Extraction ratios OER, KER d) Expenditure on Administration / Compound Upkeep / Medical e) Maintenance / Consumables / PPE / Tools  Similarly the estates budget contain the following information;  a) palm year of planting, age categories, and FFB production. b) Component of operating expenditure includes; - Administration/labour overhead	Yes

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		<ul style="list-style-type: none"> <li>- harvesting &amp; collection,</li> <li>- field upkeep</li> <li>- transportation, road and bridges,</li> <li>- EVIT (running accounts for engines, vehicles &amp; tractors)</li> </ul> <p>Inclusive in the business plan such as Capital Expenditure (CAPEX) among others replacement / upgrading of building, vehicles replacement and workers amenities. The budget for 2018 for both the estates/mill was sighted and verified.</p>	
<b>4.6.2.2</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	There was no replanting until 2025 at FGVPM Bukit Aping Selatan.	Yes
<b>4.6.2.3</b>	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> <li>a) Attention to quality of planting materials and FFB</li> <li>b) Crop projection: site yield potential, age profile, FFB yield trends</li> <li>c) Cost of production : cost per tonne of FFB</li> <li>d) Price forecast</li> <li>e) e) Financial indicators : cost benefit, discounted cash flow, return on investment</li> </ul> <p><b>- Major compliance -</b></p>	As above, all relevant information were included in the business management plan.	Yes
<b>4.6.2.4</b>	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p><b>- Major compliance -</b></p>	The estate monitors the estate performance against the targets. It also recommends changes to the plans if necessary.	Yes
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			

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<b>4.6.3.1</b>	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p><b>- Major compliance -</b></p>	<p>All the FFB suppliers' contract and payment are managed under Head Quarters level while for operational level, the contracts are available in mill and estate. Contract is signed within both parties in Surat Perintah Kerja. The terms and conditions available as addendum to the contract above in the project.</p> <p>As per contract agreement (Surat Perintah Kerja) signed between Bukit Aping Estate and Transporters, the pricing is agreeable and verified in the payment voucher in timely manner.</p> <p>Sampled taken for Jasa JMS Engineering &amp; Trading, contract no: 5300003627 dated 10.10.2017 to 31.10.2018.</p>	Yes
<b>4.6.3.2</b>	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p><b>- Major compliance -</b></p>	<p>As per contract agreement signed between Estate and Transporters, the pricing is agreeable and verified in the payment voucher in timely manner.</p> <p>Sampled taken for Jasa JMS Engineering &amp; Trading in 04 October 2018, receipt reference no: KLP066818100006 on RM 18201.60.</p>	Yes
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.</p> <p><b>- Major compliance -</b></p>	<p>There was a MSPO training conducted to the contractor on 16.07.2018. Other than that, contractor also will allow if auditor want to have access to documents, operation checking and interview the contractor's worker. Seen the attendant list signed by representative from Jasa JMS Engineering &amp; Othman bin Jasin on 16.07.18.</p>	Yes
<b>4.6.4.2</b>	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p><b>- Major compliance -</b></p>	<p>The agreement between contractors is sighted (Surat Perintah Kerja) signed between Bukit Aping Estate and Transporters, the pricing is agreeable and verified in the payment voucher in timely manner.</p> <p>Sampled taken for Jasa JMS Engineering &amp; Trading in 04 October 2018, receipt reference no: KLP066818100006 on RM 18,201.60.</p>	Yes
<b>4.6.4.3</b>	<p>The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.</p> <p><b>- Minor compliance -</b></p>	<p>There was a MSPO training conducted to the contractor on 16.07.2018. Other than that, contractor also will allow if auditor want to have access to documents, operation checking and interview the contractor's worker. Seen the attendant list signed by representative from Jasa</p>	Yes

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Criterion / Indicator		Assessment Findings	Compliance
		JMS Engineering & Othman bin Jasin on 16.07.18.	
<b>4.6.4.4</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Management has the report of job completion namely `Sijil Pengakuan Melawat Kawasan Kerja yang telah Siap` prior to the payment made.</p> <p>Sampled below contractor: Contractor: Jasa JMS Engineering &amp; Trading Contract No: 5300003627 Date: 02.10.2018</p>	Yes
<b>4.7 Principle 7: Development of new planting</b>			
<b>Criterion 4.7.1: High biodiversity value</b>			
<b>4.7.1.1</b>	<p>Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.</p> <p><b>- Major compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.1.2</b>	<p>No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.</p> <p><b>- Major compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>Criterion 4.7.2: Peat Land</b>			
<b>4.7.2.1</b>	<p>New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat</p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A

Criterion / Indicator		Assessment Findings	Compliance
	land development or industry best practice. <b>- Major compliance -</b>		
<b>Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)</b>			
<b>4.7.3.1</b>	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. <b>- Major compliance -</b>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.3.2</b>	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. <b>- Major compliance -</b>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.3.3</b>	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. <b>- Major compliance -</b>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.3.4</b>	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. <b>- Minor compliance -</b>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>Criterion 4.7.4: Soil and topographic information</b>			

Criterion / Indicator		Assessment Findings	Compliance
<b>4.7.4.1</b>	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.  - Major compliance -	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.4.2</b>	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.  - Major compliance -	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils</b>			
<b>4.7.5.1</b>	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.  - Major compliance -	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.5.2</b>	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.  - Major compliance -	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.5.3</b>	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.  - Major compliance -	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>Criterion 4.7.6: Customary land</b>			
<b>4.7.6.1</b>	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A



Criterion / Indicator		Assessment Findings	Compliance
	<p>through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p> <p><b>- Major compliance -</b></p>		
4.7.6.2	<p>Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.</p> <p><b>- Minor compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
4.7.6.3	<p>Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.</p> <p><b>- Major compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
4.7.6.4	<p>The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.</p> <p><b>- Major compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
4.7.6.5	<p>Identification and assessment of legal and recognised customary rights shall be documented.</p> <p><b>- Major compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
4.7.6.6	<p>A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.</p> <p><b>- Major compliance -</b></p>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A



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Criterion / Indicator		Assessment Findings	Compliance
<b>4.7.6.7</b>	The process and outcome of any compensation claims shall be documented and made publicly available.  <b>- Major compliance -</b>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A
<b>4.7.6.8</b>	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.  <b>- Minor compliance -</b>	There is no new planting in Bukit Aping Selatan Estate, therefore this requirement is not applicable.	N/A

**Section 4: Assessment Conclusion and Recommendation**

<b>Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings</b>	
Based on the findings during the assessment of <b>FGVP(M) Sdn Bhd- Wa Ha POM</b> Certification Unit complies with the <b>MS 2530-3:2013</b> and <b>MS 2530-4:2013</b> . It is recommended that the certification of <b>FGVP(M) Sdn Bhd- Wa Ha POM</b> Certification Unit is approved and/or continued.	
<b>Acknowledgement of Assessment Findings</b>	<b>Report Prepared by</b>
<b>Name:</b> Norazam Abdul Hameed	<b>Name:</b> Elzy Ovktafia Chairul
<b>Company name:</b> FGV Holdings Berhad	<b>Company name:</b> BSI Services Malaysia Sdn. Bhd.
<b>Title:</b> Senior General Manager	<b>Title:</b> Client Manager
<b>Signature:</b>  <b>Date:</b> 16.01.2019	<b>Signature:</b>  <b>Date:</b> 02.01.2018

**Appendix A: Assessment Plan**

Date	Time	Subjects	(EO)	(HM)
Tuesday 16/10/2018	08.30 – 09.00	Opening meeting: <ul style="list-style-type: none"> <li>Opening presentation by audit team leader</li> <li>Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation)</li> </ul>	√	-
	10.00 – 12.00	<b>Stakeholder’s consultation for Wa Ha POM and Bukit Aping Selatan Estate</b>	√	-
	09.00 - 11:00	<b>Wa Ha POM</b> Inspection: FFB receiving, warehouse, workshop, waste management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√
	11:00 – 12:30	Document review (MS:2530 Part 4), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting	√	√
	12:30 – 13:30	Lunch / Break	√	√
	13:30 – 16:30	Continue with Document review and site verification if deemed necessary.	√	√
	16:30 – 17:00	Interim closing meeting	√	√
Wednesday 17/10/2018	08:30 -11:00	<b>Bukit Aping Selatan Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	11:00 – 12:30	Document review (MS:2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting	√	√
	12:30 – 13:30	Lunch / Break	√	√
	13:30 – 15:30	Continue with Document review and site verification if deemed necessary.		
	15:30 – 16:30	Preparation for closing meeting	√	√
	16:30 – 17:30	Closing meeting	√	√

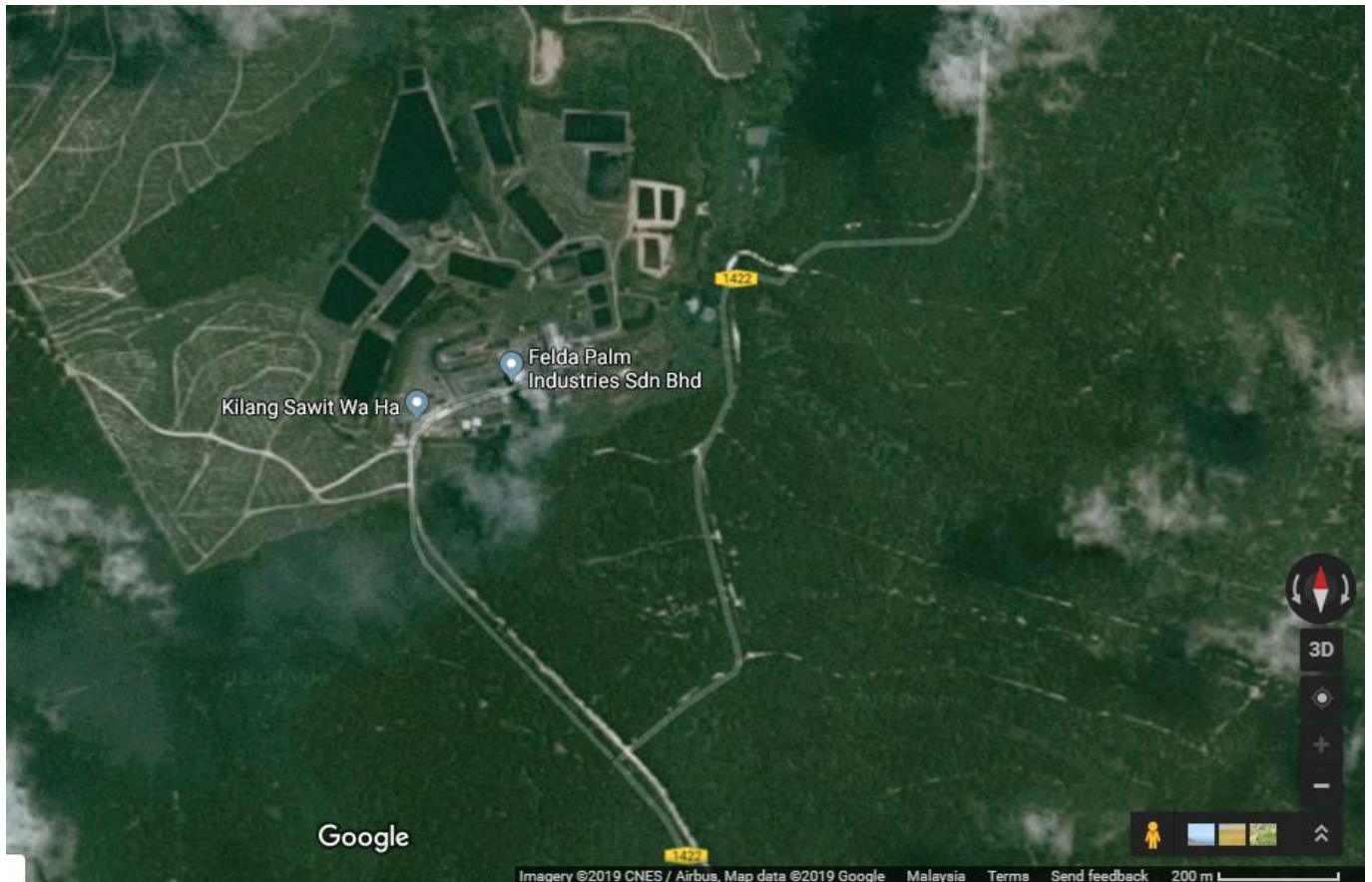
**Appendix B: List of Stakeholders Contacted**

<b>Government Bodies:</b> PONDOK POLIS WAHA	<b>Internal Stakeholders:</b> Workers Representatives (Foreign Worker)
<b>Surrounding Communities:</b> FELDA BUKIT WAHA FELDA BUKIT EASTER IMAM OF FELDA SIMPANG WAHA	<b>Contractors &amp; Suppliers:</b> ANEKA GEAR MILL CONTRACTOR'S GRADER AMAT TARAF

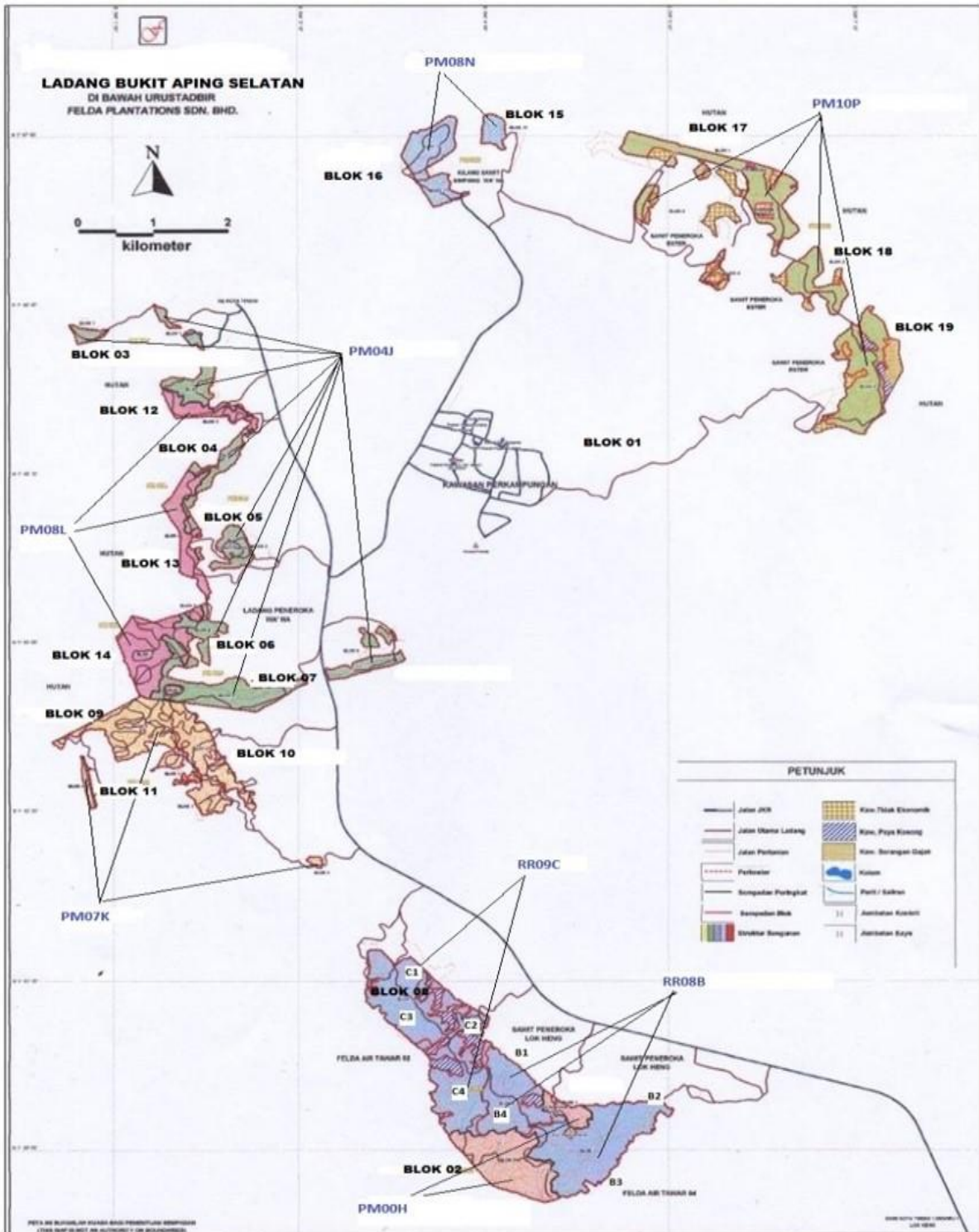
**Appendix C: Smallholder Member Details**

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	NA. No smallholders in the scope of certification.	-	-	-
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
<b>TOTAL</b>				

**Appendix F: Location and Field Map**



FGV Wa Ha POM



Bukit Aping Selatan Estate

**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