

**MALAYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report**

- Initial Assessment
- Annual Surveillance Assessment (4)
- Recertification Assessment (Choose an item.)
- Extension of Scope

FGV HOLDINGS BERHAD
Client Company (HQ) Address: Sustainability Compliance & Certification Department Level 20 (W), Wisma FGV, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia
Certification Unit: FGV Palm Industries Sdn Bhd - Bukit Sagu Palm Oil Mill & FGV Plantations (Malaysia) Sdn Bhd - FGVPM Bukit Sagu 4 Estate, FGVPM Bukit Sagu 6 Estate, FGVPM Bukit Sagu 7 Estate and FGVPM Bukit Sagu 8 Estate
Date of Final Report: 08/03/2023

Report prepared by:
Nor Halis Abu Zar (Lead Auditor)

Report Number: 3511527

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	FGV Holdings Berhad		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	FGVPISB Bukit Sagu POM	500202104000	31/03/2023
	FGVPM Bukit Sagu 4 Estate	558968002000	28/02/2023
	FGVPM Bukit Sagu 6 Estate	559597002000	28/02/2023
	FGVPM Bukit Sagu 7 Estate	559045002000	28/02/2023
	FGVPM Bukit Sagu 8 Estate	558969002000	28/02/2023
Address	Sustainability Compliance & Certification Department, Level 20 (W), Wisma FGV, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia		
Management Representative	Mr Ameer Izyanif Bin Hamzah		
Website	www.feldaglobal.com	E-mail	ameer.h@fgvholdings.com
Telephone	+603-2789 1338	Facsimile	+603-2789 0001

1.2 Certification Information			
Certificate Number	Mill: MSPO 700744 Estate: MSPO 700745	Certificate Start Date	24/03/2019
Date of First Certification	24/03/2019	Certificate Expiry Date	23/03/2024
Scope of Certification	<input checked="" type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	<p>The objective of the assessment was to conduct an Annual Surveillance Assessment - ASA 4 and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organisation's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organisation's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system.</p>		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
Stage 1 Date	N/A as this certification unit is RSPO certified		
Stage 2 / Initial Assessment Visit Date (IAV)	28-30/11/2018		

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Continuous Assessment Visit Date (CAV) 1	15-17/10/2019
Continuous Assessment Visit Date (CAV) 2	06-08/10/2020
Continuous Assessment Visit Date (CAV) 3	12-14/10/2021: Remote Audit
Continuous Assessment Visit Date (CAV) 4	16-19/01/2023

1.3 Other Certifications

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 666409	RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019; with Supply Chain Mass Balance Module	BSI Services Malaysia Sdn. Bhd.	28/12/2022
MSPO SCCS-TCI-032-2020	MSPO Supply Chain Certification Standard (MSPO SCCS) 1 October 2018	Trans Certification International	26/03/2025

1.4 Location of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
FGVPISB Bukit Sagu POM	Kilang Sawit Bukit Sagu, 25700 Kuantan, Pahang, Malaysia	3° 58' 10.00" N	103° 8' 51.00" E
FGVPM Bukit Sagu 4 Estate	Ladang Felda Bukit Sagu 4, Peti Surat 331, 25470 Kuantan, Pahang, Malaysia	4° 0' 46.00" N	103° 9' 17.00" E
FGVPM Bukit Sagu 6 Estate	Ladang Felda Bukit Sagu 6, Peti Surat 451, 25740 Kuantan, Pahang, Malaysia	4° 2' 46.00" N	103° 6' 36.00" E
FGVPM Bukit Sagu 7 Estate	Ladang Felda Bukit Sagu 7, Peti Surat 355, 25740 Kuantan, Pahang, Malaysia	3° 59' 29.00" N	103° 6' 10.00" E
FGVPM Bukit Sagu 8 Estate	Ladang Felda Bukit Sagu 8, 26130 Kuantan, Pahang, Malaysia	3° 57' 39.00" N	103° 11' 21.00" E

1.5 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
FGVPM Bukit Sagu 4 Estate	2799.40*	0.00	607.10*	3406.50*	82.18

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FGVPM Bukit Sagu 6 Estate	1497.84	0.00	268.60	1766.44	84.79
FGVPM Bukit Sagu 7 Estate	1836.40*	0.00	368.34*	2204.74	83.29
FGVPM Bukit Sagu 8 Estate	1830.72*	2.60*	399.96*	2233.28*	81.97
Total (ha)	7964.36*	2.60*	1644.00*	9610.96*	82.87

Note: Adjustment of hectareage due to wrong data reporting on previous report, infrastructure and other hectareage adjustment due to re-survey from Land Management Unit (LMU).

1.6 Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
FGVPM Bukit Sagu 4 Estate	302.77	1,711.76	784.87	0.00	0.00	2,496.63	302.77
FGVPM Bukit Sagu 6 Estate	358.04	1139.8	0.00	0.00	0.00	1,139.80	358.04
FGVPM Bukit Sagu 7 Estate	1117.66	718.74	0.00	0.00	0.00	718.74	1117.66
FGVPM Bukit Sagu 8 Estate	175.05	0.00	1,655.67	0.00	0.00	1,655.67	175.05
Total (ha)	1,953.52	3,570.30	2,440.54	0.00	0.00	6,010.84	1,953.52

1.7 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Mar 2022 - Feb 2023)	Actual (Oct 2021 - Dec 2022)	Forecast (Mar 2023 - Feb 2024)
FGVPM Bukit Sagu 4 Estate	52,424.92	54,203.40	51,673.00
FGVPM Bukit Sagu 6 Estate	17,848.28	23,828.34	27,267.00
FGVPM Bukit Sagu 7 Estate	15,416.28	10,376.60	14,160.00
FGVPM Bukit Sagu 8 Estate	39,310.52	32,289.45	26,900.00
Total (mt)	125,000.00	120,697.79	120,000.00

Note: -

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1.8 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Mar 2022 - Feb 2023)	Actual (Oct 2021 - Dec 2022)	Forecast (Mar 2023 - Feb 2024)
Smallholder	150,480.00	147,202.12	175,000.00
Total (mt)	150,480.00	147,202.12	175,000.00

1.9 Certified Tonnage			
Mill Capacity: 54 MT/hr SCC Model: MB	Estimated (Mar 2022 - Feb 2023)	Actual (Oct 2021 - Dec 2022)	Forecast (Mar 2023 - Feb 2024)
	FFB	FFB	FFB
	125,000.00	120,697.79	120,000.00
	CPO (OER: 20.75%)	CPO (OER: 20.11%)	CPO (OER: 20.99%)
	25,937.50	24,275.03	25,188.00
	PK (KER: 5.00%)	PK (KER: 4.92%)	PK (KER: 5.10%)
	6,250.00	5,934.02	6,120.00

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
24,275.03	-	-	-	24,275.03	24,275.03

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
5,934.02	-	-	-	5,934.02	5,934.02

Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 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 16/01/2023 to 19/01/2023. The audit programme is included as Section 2.4. The approach to the audit was to treat the FGVPISB Bukit Sagu POM, FGVPB Bukit Sagu 4 Estate, FGVPB Bukit Sagu 6 Estate, FGVPB Bukit Sagu 7 Estate and FGVPB Bukit Sagu 8 Estate as a MSP0 Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

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

The Certification Unit were not using MSP0 certification marks for any type of on- and off-product communication. The Certification Unit are compliance with the use of the MSP0 Logo and related claims.

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

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSP0 requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.6.

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

All the previous nonconformities are remains closed. The assessment findings from the initial assessment are detailed in Section 4.2. Major non-conformity been closed off-site, and all evidence were sufficient.

This report was externally reviewed by MSP0 approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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

Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
FGVPISB Bukit Sagu POM	√	√	√	√	√
FGVPM Bukit Sagu 4 Estate	-	√	-	√	-
FGVPM Bukit Sagu 6 Estate	-	√	-	√	-
FGVPM Bukit Sagu 7 Estate	√	-	√	-	√
FGVPM Bukit Sagu 8 Estate	√	-	√	-	√

Tentative Date of Next Visit: January 15, 2024 - January 18, 2024

Total No. of Mandays: 11 Mandays

2.1 BSI Assessment Team

Team Member Name	Role	Qualifications
Nor Halis Abu Zar (NHA)	Team Leader	<p>Education: Bachelor of Science, Plantation Technology and Management, graduated from Universiti Teknologi Mara in 2012.</p> <p>Work Experience: He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day-to-day plantation operations. In his career at Kulim Plantation, he had accumulated more than 6 years of sustainability implementation experience. He is a qualified Lead Auditor for MS 2530:2013 and has accumulated more than 400 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia.</p> <p>Training attended: He has completed ISO IMS 9001 and 14001 Lead Auditor Course in January 2019, MSPO 2530:2013 Lead Auditor Course in February 2019, Endorsed RSPO Lead Auditor Course in October 2020, CQI and IRCA Certified ISO 45001 Lead Auditor Course in June 2021, ISO 9001:2015 Lead Auditor Course in April 2019, MSPO SCCS Auditor in February 2019 and trained in SMETA Requirement Training on May 2021.</p> <p>Aspect covered in this audit: During this assessment, he assessed on the aspects of Policy, Legal, Social Issue and Financial development.</p> <p>Language proficiency: Fluent in Bahasa Malaysia and English Language.</p>

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<p>Yusof Khairan Nizar (YKN)</p>	<p>Team Member</p>	<p>Education: Diploma in Public Administration-ITM (1991), Certificate of Safety and Health Officer-MII (2003). Bachelor of Corporate Administration (Hons)-UiTM (2003), Master of Science (Occupational Safety and Health) Management-UUM (2011).</p> <p>Work Experience: 17 years experiences working Japanese MNC in Manufacturing Silicone, Rubber and plastic products and components. Registered SHO with DOSH Malaysia. 16 years experiences working as Consultants, Trainers and Auditors with local, internationals CBs. 4 years experiences as HSE Advisors with Telco Company. Contract Trainer of OSH & Environment, HSE Legal & Other Requirements, Lead Auditors course for STS & NIOSH Cert. Approved (HRDF) Trainer. Assessor for Prime Minister’s Hibiscus Award.</p> <p>Training attended: Successfully attended course ISO 9001 IRCA/IATC A Lead Auditor Training-IMTL (Kuala Lumpur), ISO 14001 IEMA Approved EMS Advanced Lead Auditor Training Course-Aspects Moody Certification Ltd (UK). OH&SMS IRCA Certified Lead Auditor Training Course-Moody International (KL). MS 1722 Lead Auditor Training NIOSH Cert. (KL), MSPO Auditing – SGS (Malaysia). RSPO P&C 2018 Refresher Lead Auditor Course – Checkmark Training. Also attended the Quality & Environmental MS Auditing Skills Based on Risk Management, Conformity Assessment – For Bodied Providing Audit and Certification (ISO/IEC 17021:2015) collaboration with Institute of Quality Malaysia, ISO/IEC 17021. MSPO Peer Reviewer Training (MPOCC). HCV-HCS Integrated Concept & Brief Method and Social Knowledge for Assessing High Carbon Stock (Aiknow) and PT Remark Asia, SMETA Audit Training-BSI, Registered Environmental Audit Training (IEMAS). Capacity Development for MSPO MS 2530:2022 (Part 1-4) & Scheme Documents Workshop-MPOCC.</p> <p>Aspect covered in this audit: Traceability, Continuous Improvement, Occupational, Health & Safety, and Best Practices.</p> <p>Language proficiency: He is fluent in English, Bahasa Malaysia.</p>
<p>Mohamad Fitri Mustafa (MFM)</p>	<p>Team Member</p>	<p>Education: Bachelor of Science Agribusiness, graduated from University Putra Malaysia in 2007.</p> <p>Work Experience: Started his career as research officer with Malaysian Agri Hi Tech Sdn Bhd, before servicing as agronomist at Tradewinds Plantations Berhad and FASSB. Accumulating his experience in sustainability when he serves as an auditor with Global Gateway Sdn Bhd since 2018.</p> <p>Training attended: Completed his training for MSPO Lead Auditor Course and ISO 9001:2015 Lead Auditor Course in 2018 and RSPO Lead Auditor Course in year 2019. Completing SHO Course in 2022.</p>

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		<p>Aspect covered in this audit: Environment and Best Practices.</p> <p>Language proficiency: He is fluent in English, Bahasa Malaysia.</p>
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2.2 Impartiality and conflict of interest

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

2.3 Accompanying Persons

No.	Name	Role
	N/A	

2.4 Assessment Plan

The assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	NHA	YKN	MFM
Sunday, 15/01/2023	-	Travelling from Kuala Lumpur to Kuantan	√	√	√
Monday, 16/01/2023 FGVPM Bukit Sagu 07 Estate	08:30 - 09:00	Opening Meeting with RSPO Team at Bukit Sagu 04 Estate with RSPO Team <ul style="list-style-type: none"> • Presentation by BSI Lead Auditor - Introduction of team member and assessment agenda • Confirmation of assessment scope and finalizing audit scope Travel to FGVPM Bukit Sagu 07 Estate	√	√	√
	09:00 - 12:30	Estate assessment: 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. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	√	√
	12:30 - 13:30	Lunch break	√	√	√

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Date	Time	Subjects	NHA	YKN	MFM
	13:30 - 16:30	Document Review (MS 2530:2013 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, P6: Best practices, P7: Development of New Planting	√	√	√
	16:30 - 17:00	Interim closing meeting	√	√	√
Tuesday, 17/01/2023 FGVPM Bukit Sagu 07 Estate (MFM)	09:00 - 12:30	Estate assessment: 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. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	√	√
FGVPM Bukit Sagu 08 Estate (NHA & YKN)	12:30 - 13:30	Lunch break	√	√	√
	13:30 - 16:30	Document Review (MS 2530:2013 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, P6: Best practices, P7: Development of New Planting	√	√	√
	16:30 - 17:00	Interim closing meeting	√	√	√
Wednesday, 18/01/2023 FGVPM Bukit Sagu 08 Estate (YKN & NHA) FGVPISB Bukit Sagu POM (MFM)	09:00 - 12:30	Estate assessment: 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. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.) Mill Assessment: Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√	√
	12:30 - 13:30	Lunch break	√	√	√

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Date	Time	Subjects	NHA	YKN	MFM
	13:30 - 16:30	Document Review (MS 2530:2013 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, P6: Best practices, P7: Development of New Planting Document review (MS 2530:2013 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.	√	√	√
	16:30 - 17:00	Interim closing meeting	√	√	√
Thursday, 19/01/2023 FGVPI Bukit Sagu POM (NHA & YKN)	09:00 - 12:30	Mill Assessment: Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√	-
	12:30 - 13:30	Lunch break	√	√	-
	13:30 - 16:30	Document review (MS 2530:2013 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.	√	√	-
	16:30 - 17:00	Audit Team Discussion and Closing Meeting	√	√	-
Friday, 20/01/2023	-	Audit Team Travel Back to Kuala Lumpur	√	√	-

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

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

During the assessment there were Three (3) Major & Zero (0) Minor nonconformities and One (1) OFI raised. The FGVPIB Bukit Sagu 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 Non-conformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
NCR Ref #:	2299502-202301-M1	Issue Date:	19/01/2023
Due Date:	18/04/2023	Date of Closure:	27/02/2023
Area/Process:	FGVPM Bukit Sagu 7 Estate & FGVPM Bukit Sagu 8 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.4 Major
Requirements:	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.		
Statement of Nonconformity:	The contractors have yet to comply the Employees’ Social Security Act 1969 (Act 4).		
Objective Evidence:	SOCISO contribution made was not in accordance to Employees’ Social Security Act 1969 (Act 4) effective on 01/01/2019. Details as below:		
	Month	Salary	Deduction
			As per SOCISO Table
	Contractor: Nalar Gemilang Enterprise Sample workers: NRIC: 791116-XX-XXXX		
	Nov 2022	RM 1,846.20	RM 8.75
	Aug 2022	RM 2,111.05	RM 8.75
	Contractor: Suria Fajar Enterprise Sample workers: 890519-XX-XXXX		
	Oct 2022	RM 3,000.00	RM 13.10
	Dec 2022	RM 3,000.00	RM 13.10
			RM 14.75
			RM 14.75

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Corrections:	Estate to conduct a 'refresher' briefing with contractor to explain on the needs to comply Employees' Social Security Act 1969 (Act 4).
Root cause analysis:	<ol style="list-style-type: none"> 1) Contractors are not referring to the contribution tables for the SOCSO deduction. 2) Lack of monitoring for the contractors' workers documentation from the estate personnel.
Corrective Actions:	Enforcement on the usage of the monitoring form to monitor contractors' workers salary on monthly basis by the appointed PIC.
Assessment Conclusion:	<p>Major NC Close Out</p> <ol style="list-style-type: none"> a) Refer Meeting with contractor dated 10/01/2023 that discussed on the employee compliance. b) Training to contractors related to SOSCSO contribution has been given on 15/02/2023. Refer Training materials, attendance and photos. c) Monitoring has been done as per Rekod Pemantauan Bulanan Pekerja Kontraktor dated January 2023 prepared by Clerk and checked by Manager. <p>The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 27/02/2023. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.</p>

Non-Conformity Report			
NCR Ref #:	2299502-202301-M2	Issue Date:	19/01/2023
Due Date:	18/04/2023	Date of Closure:	27/02/2023
Area/Process:	FGVPM Bukit Sagu 7 Estate & FGVPM Bukit Sagu 8 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.4.2 (b)(d) Major
Requirements:	<p>The occupational safety and health plan shall cover the following:</p> <ol style="list-style-type: none"> b) The risks of all operations shall be assessed and documented. 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). 		
Statement of Nonconformity:	The safety and health plan related HIRARC and PPE was not adequately demonstrated.		
Objective Evidence:	<p>Based on site visit and document verification the evidence was found as below:</p> <p><u>FGVPM Bukit Sagu 7 Estate</u></p> <p>The newly introduced mechanization (Grabber) application found included in HIRARC, however it was found that some of risk related not fully discussed related noise to exposure, exposure to smoke and mechanical hazards.</p> <p><u>FGVPM Bukit Sagu 8 Estate</u></p> <p>During site visit at Block 08 in FGVPM Bukit Sagu 8 Estate, sighted 2 harvesters not wearing Safety Helmets and left them hanged on the tree while doing their job.</p>		
Corrections:	1) HIRARC form will be revised by the appointed PIC and reviewed by SHO		

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	2) To conduct PPE training to the workers
Root cause analysis:	<ol style="list-style-type: none"> 1) HIRARC was prepared by incompetence personnel at the site level due to the fact that mechanization was newly introduced in the respective estate 2) Lack of understanding on the importance of wearing PPE by the workers
Corrective Actions:	<ol style="list-style-type: none"> 1) Any newly prepared/revised HIRARC at the estate level will be sent for review by SHO 2) Continuous monitoring on the PPE usage by the supervisor
Assessment Conclusion:	<p>Major NC Close Out</p> <ol style="list-style-type: none"> 1. HIRARC for Tractor, Mini Tractor, Tough far, and Mini Tractor Grabber has been prepared and endorsed by SHO. Refer Endorsement by SHO Wilayah Kuantan. 2. Training on PPE has been conducted on 12/02/2023. Refer Latihan Penerangan & Pemakaian PPE. Refer Training materials, attendance and photos. 3. Monitoring has been done as per Kertas Semak Pemeriksaan Pemakaian PPE FGVPD dated 14/02/2023. <p>The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 27/02/2023. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.</p>

Non-Conformity Report			
NCR Ref #:	2299502-202301-M3	Issue Date:	19/01/2023
Due Date:	18/04/2023	Date of Closure:	27/02/2023
Area/Process:	FGVPISB Bukit Sagu POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.3.1.1 Major
Requirements:	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.		
Statement of Nonconformity:	The operation of Fume Hood and rental Genset found non-compliance to applicable subsidiary legal requirements under Environmental Quality Act 1974.		
Objective Evidence:	Based on site visit and document verification, it was found that One unit of rental genset with capacity of 350 kVA using diesel fuel was not provided with Written Notification to DOE under Regulation 5 of Environmental Quality (Clean Air) Regulations 2014 as required.		
Corrections:	Mills to request copy of the genset's written notification from the vendor.		
Root cause analysis:	<ol style="list-style-type: none"> 1. The written notification for the rental genset was not provided by the vendor 2. The mill's management are not aware on the needs to request for the related documentation from vendor 		
Corrective Actions:	Mill will terminate the rental if the vendor failed to provide the required permits. Permit and licenses monitoring record by the appointed PIC at the mills.		
Assessment Conclusion:	<p>Major NC Close Out</p> <ol style="list-style-type: none"> 1. Refer termination letter dated 20/01/2023. "Refer Pengesahan Pembatalan Genset Sewa Hafza Enli Sdn Bhd Di Kilang Sawit Bukit Sagu". Refer picture evidence. 		

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	<p>2. Monitoring on the compliance by the contractors has been conducted before termination decision made by the management.</p> <p>The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 27/02/2023. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.</p>
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Opportunity for Improvement			
Ref:	2299502-202301-I1	Clause:	MSPO 2530 Part 4 - 4.4.4.2 (h)
Area/Process:	FGVPISB Bukit Sagu POM		
Objective Evidence:	<p>1. The existing SOP FGV Palm Industries Sdn Bhd has established, and documented ERP Management Procedure (FPI-PK-101) Issued 01/12/2022 to be further enhanced by considering other types of sustainability emergency condition such as chemicals spillages, flood, explosion, pond bunding collapsed.</p> <p>2. NADOPOD Management Procedure (FPI-PK-102) Issued 01/12/2022 to be further enhanced action to submitting JKKP 8 once a year before 31/01 every year as better guidance for user.</p>		

Noteworthy Positive Comments	
1	Positive comments from all stakeholders interviewed
2	All personnel were cooperative during the assessment process

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	2116460-202110-M1	Issue Date:	12/10/2021
Due Date:	11/01/2022	Date of Closure:	16/11/2021
Area/Process:	FGVPM Bukit Sagu 6 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.1.2.2 Major
Requirements:	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.		
Statement of Nonconformity:	The internal audit procedure was not implemented effectively.		
Objective Evidence:	As verified in the Checklist for Integration Internal Audit of Sustainability 2021 found total 15 non-conformities were raised during the last internal audit in FGVPM Bukit Sagu 6 Estate. Root cause was identified with correction taken. However, the non-conformities in FGVPM Bukit Sagu 6 Estate were not closed as per the Sustainability Certification Internal Audit Procedure (SOP No.: FGV/GSD-SCCD/SOP/04, Ver. 0 dated 03/09/2020), Clause 7.7.3 where the corrective action need to be resolved within 60 days.		
Corrections:	Estate will contact the lead auditor for internal audit and provide necessary document to close the finding raised.		

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Root cause analysis:	Incompetence PIC that responsible to close the non-conformities raised during the internal audit.
Corrective Actions:	a. Training will be provided to PIC on the internal audit procedure b. To discuss audit finding issues during the management review meeting that will be conducted annually.
Assessment Conclusion:	Training has been conducted to PIC on 15/10/2021 and findings of internal audit has been discussed during the management review meeting conducted on 21/10/2021. The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 16/11/2021. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.
Verification Statement:	Latest internal audit was conducted on 22-23/11/2022 by 2 internal auditors from Sustainability Compliance and Certification Department. The audit has been conducted remotely. 8 NCR's has been raised during the internal audit. Sighted Root Cause, Corrective Action and Correction plan has been recorded in the "Pelan Tindakan Untuk Ketidapatuhan Integrasi Audit Dalaman 2022". Based on document verification and site visit, it was concluded that Major NC was remained closed.

Non-Conformity Report			
NCR Ref #:	2116460-202110-M2	Issue Date:	12/10/2021
Due Date:	11/01/2022	Date of Closure:	16/11/2021
Area/Process:	FGVPISB Bukit Sagu POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.5.4 Major
Requirements:	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.		
Statement of Nonconformity:	The contractors have yet to comply with the legal requirements.		
Objective Evidence:	FGVPISB Bukit Sagu POM: Reviewed total 4 payslips for January 2021, May 2021 and August 2021 found that the SOCSO contribution and Employment Insurance System (EIS) contribution was not made according to the Employees' Social Security Act 1969 (Act 4) and Employment Insurance System (Act 800). The contribution made was not following the rate of contribution based on the actual monthly wages of the month. Sampled of workers as below: 1. I/C No.: 010710-06-05XX 2. I/C No.: 970414-06-57XX 3. I/C No.: 900314-06-51XX Besides, reviewed the FFB Sorters Calculation form and payslips for May 2021 and August 2021 found that the following workers were not paid accordingly: I/C No: 970414-06-57XX Month: August 2021		

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	<p>Days/ Hours in FFB Sorters Calculation form: 24 days normal working day; 28.0 hours normal OT; 1-day work on PH; 1-hour OT on PH</p> <p>Days/ Hours in pay slips:21 days normal working day; 26.5 hours normal OT; 1-day work on PH; 1-hour OT on PH</p> <p>I/C No: 010710-06-05XX</p> <p>Month: May 2021</p> <p>Days/ Hours in FFB Sorters Calculation form: 21 days normal working day; 20.5 hours normal OT; 1-day work on PH</p> <p>Days/ Hours in pay slips:18 days normal working day; 17.5 hours normal OT</p> <p>Month: August 2021</p> <p>Days/ Hours in FFB Sorters Calculation form: 23 days normal working day; 33.5 hours normal OT; 1-day WDR; 2.5 hours OT on WDR; 1-day work on PH; 1-hour OT on PH</p> <p>Days/ Hours in pay slips:22 days normal working day; 40.0 hours normal OT; 1-day work on PH; 1-hour OT on PH</p> <p>This is recurrence of minor non-conformity from previous assessment. Thus, the minor non-conformity escalated to major non-conformity during ASA 3.</p>
Corrections:	<ol style="list-style-type: none"> To conduct management review meeting to discuss issues highlighted. To appoint PIC for handling and monitor contractors` workers salary
Root cause analysis:	<p>Understanding and Compliance for Employment Contracts among contractors is unsatisfactory as it is not communicated effectively to the appointed contractors due to lack of meeting involvement or information provided between contractors and projects as well as No monitoring and enforcement from Management & person incharge to comply with the legal issues.</p>
Corrective Actions:	<p>To establish monitoring form to monitor contractors` workers salary on monthly basis.</p>
Assessment Conclusion:	<p>Management review has been conducted and discussed issues related to contractors` workers salary. Monitoring on contractors` workers salary has been done by PIC that has been appointed. The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 16/11/2021. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.</p>
Verification Statement:	<p>Verified through interview and document verification, there is no permanent contractors has been hired at the moments of audit. Based on Minutes of Meeting MRM, management has aware to ensure all the contractors hired to follow required regulation on for workers salary. In case any contractors hired, Monitoring on contactor documents will be checked by person in charge to ensure all documents according to the regulation. Based on document verification and site visit, it was concluded that Major NC was remained closed.</p>

Non-Conformity Report			
NCR Ref #:	2116460-202110-M3	Issue Date:	12/10/2021
Due Date:	11/01/2022	Date of Closure:	16/11/2021

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Area/Process:	FGVPM Bukit Sagu 04 Estate and FGVPM Bukit Sagu 6 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.4 Major
Requirements:	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.		
Statement of Nonconformity:	The contractors have yet to comply the Employees' Social Security Act 1969 (Act 4) and Employment Insurance System (Act 800).		
Objective Evidence:	<p><u>FGVPM Bukit Sagu 4 Estate:</u> Sampled payslips for January 2021, May 2021 and August 2021 for 2 workers from 2 different contractors in FGVPM Bukit Sagu 4 Estate found that the SOCSO contribution was not made according to the Employees' Social Security Act 1969 (Act 4) and Employment Insurance System (EIS) contribution was not made as per Employment Insurance System (Act 800). The contribution made was not following the rate of contribution based on the actual monthly wages of the month. Sampled of workers as below:</p> <ol style="list-style-type: none"> 1. I/C No.: 880119-06-57XX (Arah Bermaju) 2. I/C No.: 930707-06-61XX (Sri Chakra Enterprise) <p><u>FGVPM Bukit Sagu 6 Estate:</u> Sampled the payslips and Borang 8A SOCSO contribution record of contractor's worker (Passport No.: AT 768921) in FGVPM Bukit Sagu 6 Estate found that the SOCSO contribution made was not in accordance to Employees' Social Security Act 1969 (Act 4) effective on 01/01/2019. The employer shall make contribution at the rate of 1.25% of insured monthly wages. However, the contribution made was incorrect as per the actual monthly wages of the month. This is recurrence of minor non-conformity from previous assessment. Thus, the minor non-conformity escalated to major non-conformity during ASA 3.</p>		
Corrections:	<ol style="list-style-type: none"> 1. To conduct management review meeting to discuss issues highlighted. 2. To appoint PIC for handling and monitor contractors' workers salary. 3. Communication on SOCSO contribution to all contractors. 		
Root cause analysis:	Understanding and Compliance for Employment Contracts among contractors is unsatisfactory as it is not communicated effectively to the appointed contractors due to lack of meeting involvement or information provided between contractors and projects as well as No monitoring and enforcement from Management & person in charge to comply with the legal issues.		
Corrective Actions:	To establish monitoring form to monitor contractors' workers salary on monthly basis.		
Assessment Conclusion:	Management review has been conducted and discussed issues related to contractors' workers salary. Monitoring on contractors' workers salary has been done by PIC that has been appointed. Communication to contractors on SOCSO contribution has been done. The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 16/11/2021. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.		

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Verification Statement:	Based on Minutes of Meeting MRM, management has aware to ensure all the contractors hired to follow required regulation on for workers salary. However, the Major NC was not closed due to found other non-conformities in the same indicator.
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Non-Conformity Report			
NCR Ref #:	2116460-202110-M4	Issue Date:	12/10/2021
Due Date:	11/01/2022	Date of Closure:	16/11/2021
Area/Process:	FGVPM Bukit Sagu 06 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.5.2.1 Major
Requirements:	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.		
Statement of Nonconformity:	The auditee failed to provide any evidence that the usage of non-renewable energy has been monitored.		
Objective Evidence:	FGVPM Bukit Sagu 06 Estate 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.		
Corrections:	Documentation on plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period		
Root cause analysis:	No monitoring from management regarding plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period due to changes of person in-charged.		
Corrective Actions:	Appoint person in charge to monitor manage plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.		
Assessment Conclusion:	Documentation of records for renewable energy sighted and verified. Appointment of PIC to monitor manage plan to assess the usage of non-renewable energy also sighted. The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 16/11/2021. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.		
Verification Statement:	Appointment letter for PIC FGVPM Bukit Sagu 7 to monitor the consumption of diesel and electricity was made on 10/01/2022. Documentation for diesel and electricity records was sighted and verified. Based on document verification and site visit, it was concluded that Major NC was remained closed.		

Non-Conformity Report			
NCR Ref #:	2116460-202110-M5	Issue Date:	12/10/2021
Due Date:	11/01/2022	Date of Closure:	16/11/2021

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Area/Process:	FGVPM Bukit Sagu 04 Estate/ FGVPM Bukit Sagu 06 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.5.2.2 Major
Requirements:	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		
Statement of Nonconformity:	The auditee failed to provide any evidence that the usage of non-renewable energy has been estimated.		
Objective Evidence:	FGVPM Bukit Sagu 04 Estate/ FGVPM Bukit Sagu 06 Estate There is no evidence that the estate has estimated the usage of diesel for year 2021.		
Corrections:	Prepare documentation on estimated the usage of diesel for year 2021.		
Root cause analysis:	No monitoring by management to monitor estimated the usage of diesel for year 2021.		
Corrective Actions:	Appoint person in charge to monitor manage plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period		
Assessment Conclusion:	Documentation of records for renewable energy sighted and verified. Appointment of PIC to monitor manage plan to assess the usage of non-renewable energy also sighted. The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 16/11/2021. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.		
Verification Statement:	Appointment letter for PIC FGVPM Bukit Sagu 7 to monitor the consumption of diesel and electricity was made on 10/01/2022. Documentation for diesel and electricity records was sighted and verified. Based on document verification and site visit, it was concluded that Major NC was remained closed.		

Non-Conformity Report			
NCR Ref #:	2116460-202110-M6	Issue Date:	12/10/2021
Due Date:	11/01/2022	Date of Closure:	16/11/2021
Area/Process:	FGVPM Bukit Sagu 06 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.5.3.4 Major
Requirements:	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.		
Statement of Nonconformity:	The auditee failed to provide any evidence that the empty chemical container has been punctured and disposed responsibly.		
Objective Evidence:	FGVPM Bukit Sagu 06 Estate, there is no evidence has been provided to the auditor that empty pesticides container has been punctured and disposed responsibly.		

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Corrections:	To appoint PIC to monitor that empty chemical container has been triple rinsed and punctured. To triple rinsed and punctured all empty chemical container that has not been used.
Root cause analysis:	No supervision by management in monitoring on empty pesticides container has been punctured and disposed responsibly due to new changes person in charge.
Corrective Actions:	1) Management to discuss this issue in environmental meeting every 6 months 2) continuous training for new person in charge regarding this matter
Assessment Conclusion:	Evidence that empty chemical container has been triple rinsed and punctured has been verified. Appointment letter sighted. Minutes meeting discussing issues on empty chemical container during environmental meeting has been conducted. The evidence of corrections and corrective actions were found to be effective to address the non-conformity. Hence, Major NC is closed on 16/11/2021. Continuous effective implementation of the corrective action shall be verified in the next assessment visit.
Verification Statement:	Appointment letter for PIC in waste management was made on 20/03/2022. Training for schedule waste handling was conducted by the management on 06/12/2022. Evidence that empty chemical container has been triple rinsed and punctured has been verified. Estate management had discussed on this issue during the environmental management meeting, dated on 16/02/2022 and 21/09/2022. Based on document verification and site visit, it was concluded that Major NC was remained closed.

Non-Conformity Report			
NCR Ref #:	2116460-202110-N1	Issue Date:	12/10/2021
Due Date:	Next Surveillance	Date of Closure:	19/01/2023
Area/Process:	FGVPM Bukit Sagu 4 Estate and FGVPM Bukit Sagu 6 Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.1.1 Minor
Requirements:	Social impact should be identified, and plans are implemented to mitigate the negative impacts and promote the positive ones		
Statement of Nonconformity:	Social management plan for Year 2021 was not available.		
Objective Evidence:	There was no social management plan developed/ reviewed for Year 2021 in both FGVPM Bukit Sagu 4 Estate and FGVPM Bukit Sagu 6 Estate as per the procedure Kajian Penilaian Impak Sosial (SIA) (SOP No.: FGV/GSD-SCCS/GL/02, Rev. 0 dated 08/03/2021).		
Corrections:	Conducting new SIA assessment end of November 2021 by sustainability officer.		
Root cause analysis:	No new SIA assessment conducted by Sustainability officer due to MCO.		
Corrective Actions:	Prepare on action plan regarding this issue by sustainability officer end on November 2021.		
Assessment Conclusion:	All the correction and corrective action were found to be adequate. Effectiveness of the implementation will be confirmed on next assessment visit.		

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Verification Statement:	<p>SIA was conducted on September 2022 by Sustainability Compliance and Certification Department, Group Sustainability Division, FGV Holdings Bhd for Kompleks Bukit Sagu. Internal and external stakeholders were involved during the assessment.</p> <p>SIA Management Plan has been established dated January 2022. Topics covered were:</p> <ol style="list-style-type: none"> 1. Issue 2. Outcome 3. Person In charge 4. Timeframe 5. Evidence of action taken and status. <p>Based on document verification and site visit, it was concluded that Minor NC was closed.</p>
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Non-Conformity Report			
NCR Ref #:	2116460-202110-N2	Issue Date:	12/10/2021
Due Date:	Next Surveillance	Date of Closure:	19/01/2023
Area/Process:	FGVPISB Bukit Sagu POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.1.1 Minor
Requirements:	Social impact should be identified, and plans are implemented to mitigate the negative impacts and promote the positive ones		
Statement of Nonconformity:	Social management plan for Year 2021 was not available.		
Objective Evidence:	There was no social management plan developed/ reviewed for Year 2021 in FGVPISB Bukit Sagu POM as per the procedure Kajian Penilaian Impak Sosial (SIA) (SOP No.: FGV/GSD-SCCS/GL/02, Rev. 0 dated 08/03/2021).		
Corrections:	Conducting new SIA assessment end of November 2021 by sustainability officer.		
Root cause analysis:	No new SIA assessment conducted by Sustainability officer due to MCO.		
Corrective Actions:	Prepare on action plan regarding this issue by sustainability officer end on November 2021.		
Assessment Conclusion:	All the correction and corrective action were found to be adequate. Effectiveness of the implementation will be confirmed on next assessment visit.		
Verification Statement:	<p>SIA was conducted on September 2022 by Sustainability Compliance and Certification Department, Group Sustainability Division, FGV Holdings Bhd for Kompleks Bukit Sagu. Internal and external stakeholders were involved during the assessment.</p> <p>SIA Management Plan has been established dated January 2022. Topics covered were:</p> <ol style="list-style-type: none"> 1. Issue 2. Outcome 3. Person In charge 4. Timeframe 		

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	5. Evidence of action taken and status. Based on document verification and site visit, it was concluded that Minor NC was closed.
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Non-Conformity Report			
NCR Ref #:	2116460-202110-N3	Issue Date:	12/10/2021
Due Date:	Next Surveillance	Date of Closure:	19/01/2023
Area/Process:	FGPVISB Bukit Sagu POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.3.1.4 Minor
Requirements:	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.		
Statement of Nonconformity:	Person responsible to monitor compliance and to track and update the changes in regulatory requirements has not been assigned by the management.		
Objective Evidence:	There is no evidence that the management of FGVPB Bukit Sagu 06 Estate has assigned a person responsible to monitor compliance and to track and update the changes in regulatory requirements.		
Corrections:	Appoint person in charge to monitor compliance and to track and update the changes in regulatory requirements.		
Root cause analysis:	Management did not assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements due to change on new mill management.		
Corrective Actions:	Management to conduct continues training to new PIC regarding roles to monitor compliance related.		
Assessment Conclusion:	All the correction and corrective action were found to be adequate. Effectiveness of the implementation will be confirmed on next assessment visit.		
Verification Statement:	Management has appointed the person in charge of Legal Requirement vide letter approved by Manager. PIC will monitor the compliance of regulatory requirements. Sample as below: FGVPB Bukit Sagu 7 Estate: Mohd Salihuddin Yaakob dated 10/01/2022 FGVPB Bukit Sagu 8 Estate: Mohd Shahril Saidin dated 08/02/2022 Training has been conducted for person in charge as per training record evidence. Based on document verification and site visit, it was concluded that Minor NC was closed.		

Opportunity for Improvement			
Ref:	N/A	Clause:	MSPO Part __: N/A
Area/Process:	N/A		
Objective Evidence:	N/A		
Verification Statement:	N/A		

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
1714193-201809-M1	4.3.1.1 Part 4 Major	30/11/2018	Closed on 16/01/2019
1838640-201906-N1	4.4.5.9 Part 3 Minor	17/10/2019	Closed on 08/10/2020
1838640-201906-N2	4.6.4.1 Part 3 Minor	17/10/2019	Closed on 08/10/2020
1838640-201906-N3	4.6.4.1 Part 4 Minor	17/10/2019	Closed on 08/10/2020
1838640-201906-N4	4.5.3.2 Part 3 Minor	17/10/2019	Closed on 08/10/2020
1968714-202010-M1	4.4.5.11 Part 4 Major	08/10/2020	Closed on 12/11/2020
1968714-202010-N1	4.4.2.4 Part 3 Minor	08/10/2020	Closed on 13/10/2021
1968714-202010-N2	4.4.5.4 Part 3 Minor	08/10/2020	Escalated to Major
1968714-202010-N3	4.4.5.4 Part 4 Minor	08/10/2020	Escalated to Major
1968714-202010-N4	4.3.1.3 Part 3 Minor	08/10/2020	Closed on 13/10/2021
1968714-202010-N5	4.5.3.1 Part 3 Minor	08/10/2020	Closed on 13/10/2021
2116460-202110-M1	4.1.2.2 Part 3 Major	12/10/2021	Closed on 16/11/2021
2116460-202110-M2	4.4.5.4 Part 4 Major	12/10/2021	Closed on 16/11/2021
2116460-202110-M3	4.4.5.4 Part 3 Major	12/10/2021	Closed on 16/11/2021 Re-raised as Major NC
2116460-202110-M4	4.5.2.1 Part 3 Major	12/10/2021	Closed on 16/11/2021
2116460-202110-M5	4.5.2.2 Part 3 Major	12/10/2021	Closed on 16/11/2021
2116460-202110-M6	4.5.3.4 Part 3 Major	12/10/2021	Closed on 16/11/2021
2116460-202110-N1	4.4.1.1 Part 3 Minor	12/10/2021	Closed on 19/01/2023
2116460-202110-N2	4.4.1.1 Part 4 Minor	12/10/2021	Closed on 19/01/2023
2116460-202110-N3	4.3.1.4 Part 3 Minor	12/10/2021	Closed on 19/01/2023
2299502-202301-M1	4.4.5.4 Part 3 Major	19/01/2023	Closed on 27/02/2023
2299502-202301-M2	4.4.4.2 Part 3 Major	19/01/2023	Closed on 27/02/2023
2299502-202301-M3	4.3.1.1 Part 4 Major	19/01/2023	Closed on 27/02/2023

3.5 Issues Raised by Stakeholders

IS #	Description
1	<p>Issues:</p> <p>Union Representative</p> <p>Based on interview, there is a Union form for Felda. All matters related workers will be discussed in the Union Meeting. There is no restriction for Local and Foreign workers to join union. All amendment of Collective Agreement will be communicated to all workers during Union Meeting.</p>



	<p>Management Responses: The estate management noted with the comment and will ensure all amendment of Collective Agreement will be communicate to workers.</p> <p>Audit Team Findings: No further verification required.</p>
2	<p>Issues: FFB supplier: Manager for FELDA Bukit Sagu 1 Interview with the Manager for FELDA Bukit Sagu 1, there is no issue on pricing mechanism of FFB. All FFB was sent to FGV Mill and complete with documentation i.e. Weighbridge ticket. For boundaries, all area was clearly demarcated and there is no issue land disputes.</p> <p>Management Responses: The management noted with the comment and committed to maintain good relationship with neighbouring estate and to maintain good condition of boundaries.</p> <p>Audit Team Findings: No further issue.</p>
3	<p>Issues: Teacher KAFA SK Bukit Sagu Teacher mentioned good relationship has been maintained between both parties and he also mentioned that she aware about consultation and communication procedure. Donation has been made by FGV upon request for any function at the school.</p> <p>Management Responses: The management noted with the comment and committed to maintain good relationship with the school and will try to identify any potential contribution to school.</p> <p>Audit Team Findings: No other issue.</p>
4	<p>Issues: Gender Committee: FGVP M Bukit Sagu 7 and Bukit Sagu 8 Representative As per interview, meeting gender has been conducted. All issue has been discussed related gender such as sexual harassment and new mother. As sample of new mother, she was given enough time for breastfeed her daughter during working hours. There is no issue on sexual harassment and understand the flow process if there is any case happen.</p> <p>Management Responses: The management noted with the comment.</p> <p>Audit Team Findings: No other issue.</p>
5	<p>Issues: Contractors: Nalar Gemilang Enterprise & Mahu Berjaya Enterprise Based on interview, the contractor agreed good relationship has been established between management and contractors. The contractor also mentioned that the payment paid within 30 days as per terms and conditions. Contractor was being briefed regarding RSPO & MSP0 during stakeholders meeting. All workers recruited is local workers and SOCSO and EPF contribution made by the contractors itself.</p>

	<p>Management Responses: The estate management noted with the comment and will improve communication and relationship with all contractors through meetings and trainings</p>
	<p>Audit Team Findings: No further verification required.</p>

3.6 List of Stakeholders Contacted

<p>Government Officer: SK KAFA Bukit Sagu</p>	<p>Community/neighbouring village: Manager FELDA Bukit Sagu 1</p>
<p>Suppliers/Contractors/Vendors: Nalar Gemilang Enterprise Mahu Berjaya Enterprise</p>	<p>Worker’s Representative/Gender Committee: Worker’s representative Gender Committee Union Representative</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment FGV Bukit Sagu POM and Supply Bases Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of FGV Bukit Sagu POM and Supply Bases Certification Unit is continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: NOROLSAIFUL HAZRI BIN HAMID	Name: NOR HALIS ABU ZAR
Company name: FGV HOLDINGS BERHAD	Company name: BSI SERVICES MALAYSIA SDN BHD
Title: SUSTAINABILITY MANAGER	Title: CLIENT MANAGER
Signature: 	Signature: 
Date: 02 MAR. 2023	Date: 28/02/2023

Appendix A: Summary of the findings by Principles and Criteria

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	<p>FGV Holdings Berhad has established Group Sustainability Policy, approved by the Board of Directors dated 17/11/2020. Refer policy no. FGV/SED/POL/001, rev. 4.0.</p> <p>The policy covers all sustainability aspects as stated under section 5. Policy as follows:</p> <ul style="list-style-type: none"> 5. Promoting economic growth <ul style="list-style-type: none"> 5.1. Enhancing livelihood 5.2. Profitability and efficient use of resource 5.3. Obligation of value chain partners 6. Respecting human rights <ul style="list-style-type: none"> 6.1. Equality and non-discrimination 6.2. Upholding labour standard 6.3. Respecting rights of indigenous peoples and local communities 6.4. Health and safety 6.5. Preventing harassment and abuse 7. Protecting the environment <ul style="list-style-type: none"> 7.1. Efficient use of natural resource 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		7.2. Managing environmental impacts 7.3. No deforestation and planting on peat 7.4. Protect high biodiversity value (HBV) and High Conservation Value (HCV) areas 7.5. Limitations on the use of hazardous chemicals and agrochemicals 7.6. No open burning/use of fire 7.7. Water management 7.8. Waste management 7.9. Addressing climate change 8. Monitoring and implementation' 8.1. Transparency and reporting 8.2. Grievances management 8.3. Traceability and supply chain	
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	Sighted under Group Sustainability Policy stated FGV Group is committed to continuously improve its products and services by adopting the best possible approaches to enhance productivity and profitability by optimising resources and operational efficiencies, while minimising negative impacts on people, social and environmental.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	FGV Holdings Berhad has established SOP for Internal Audit and documented in Internal Audit Procedure, document no. FGV/GSD-SCCD/SOP/04 Version: 0.0, dated 03/09/2020.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	As stated in the SOP established, the internal audit was scheduled at minimum of once a year. <u>FGVPM Bukit Sagu 7 Estate</u> Latest internal audit was conducted on 22-23/11/2022 by 2 internal auditors from Sustainability Compliance and Certification Department. 8 NCRs has been raised during the internal audit. <u>FGVPM Bukit Sagu 8 Estate</u> Latest internal audit was conducted on 24-25/11/2022 by 2 internal auditors from Sustainability Compliance and Certification Department. 15 NCRs has been raised during the internal audit.	
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	Internal Audit Procedure (Doc. No.: FGV/GSD-SCCD/SOP/04) was developed to ensure the internal audit is carried out for the implementation of RSPO, ISCC and MSPO. The internal audit will be carried out on yearly basis. Internal audit was planned as per the procedure. Sighted Root Cause, Corrective Action and Correction plan has been recorded in the "Pelan Tindakan Untuk Ketidakpatuhan Integrasi Audit Dalam 2022".	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit report was documented and made available for management review. As evidence, all findings from internal audit were responded by Mill Management within the timeframe stipulated in the Audit Procedure.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.	Sighted SOP of Management Review Meeting. Refer SOP: FGV/GSD-SCCD/SOP/06 Ver 0.0 dated 03/09/2020. Management review was conducted at minimum of once a year. Latest management review was conducted in 30/11/2022 for FGVPM Bukit Sagu 7 Estate and	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	05/12/2022 at FGVPM Bukit Sagu 8 Estate. Agenda of the meeting as below: 1. Introduction 2. Audit Result 3. Customer Feedback 4. Production 5. Environment 6. Social 7. Replanting 8. Management Review 9. Continuous Improvement.	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	FGVPM Bukit Sagu 7 and 8 Estates had established and documented Continual Improvement Plan to promote positive impact for year 2022: <ul style="list-style-type: none"> • Objective: Socially increase workers welfare meeting frequency • Objective: Optimizing FFB production >18.85 MT/Ha and Cost RM 265/MT through eRML system monitoring • Objective: Achieve Zero burning • Reduce Use of Chemicals based Pesticides (Additional Barn Own, Beneficial Plant -Turnera, cassia, antigonan, grass cutting. 	Complied
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry	Currently there is no new technology or work method being made in the main daily operation of the estate. The existing practice being continued.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	standards and technology (where applicable) that are available and feasible for adoption. - Major compliance -		
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. - Major compliance -	Any new technology or related information, employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Adequate information covering on environmental, social and legal issues which are relevant to stakeholders is shared for effective participation and decision making. Handbook of RSPO Certification for FELDA and FGV were distributed to all the stakeholders. Explanation of RSPO, MSPO, ISCC and all the policies were clearly stated in the handbook. Besides, process of complaints and grievances were included in the handbook and also published at the main office notice board.	Complied
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	FGVPM Bukit Sagu 7 Estate holds copies of each of the management documents that are required to be publicly available. Last communication was on 24/08/2022 to all stakeholder regarding to document that publicly available. Refer MEMO "Penyediaan Rujukan Dokumen umum di Pejabat FGVPM" document reference (01) MEMO-RSPO/MSPO2021.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Besides, all the information such as annual report, sustainability news and policies were found available in the company's website: www.fgvholdings.com	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	<p>FGV Holdings Berhad has developed SOP on "Komunikasi, Penglibatan dan Rundingan" procedure (Doc Number: FGV/ML-IA/L2-Pr12) where the procedure has stated the information that provided to the stakeholders such as policies, social impact assessment and environment aspects.</p> <p>FGVPM Bukit Sagu 7 Estate has conducted stakeholder meeting on 22/02/2022 while at FGVPM Bukit Sagu 8 on 03/10/2022. Refer "Minit Mesyuarat Bersama Stakeholder". Sighted involvement of Government Agencies, Contractors, Villagers and Neighbouring estates.</p> <p>During the meeting, the management has explained the requirements of sustainable palm oil certification to all the stakeholders. Mostly topic covered were Transparency, Safety and Environment topic.</p>	Complied
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	<p>Management has appointed person in charge on communication and social matters. Refer Appointment letter as below:</p> <p>FGVPM Bukit Sagu 7 Estate: Mohd Sofiyon Moahamd dated 10/01/2022</p> <p>FGVPM Bukit Sagu 8 Estate: Mohd Sharil Saidin dated 12/01/2023</p>	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.	Stakeholder lists were last updated on 05/10/2022 for both estate where internal and external stakeholders have been included.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Consultation and communication record as stated in the 4.2.2.1. There is no complaint and grievances recorded by the stakeholders.	
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	FGVPM Bukit Sagu 7 and 8 Estates has implemented traceability program based on Sustainability Manual for Transportation of FFB to Mill (MLSL(Ed.3)-Sec.4(8.0) dated 01/09/17, The procedure established for the implementation of all traceability requirements.	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Found both estates monitored the despatch of FFB to the mill on daily basis to tally and tracking the volume harvesting and tonnage despatch to the mill. Factors on the FFB balances in the fields are accounted for in the process.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Mohd Solihuddin b. Yaakob (Asst. Manager) was appointed by Ahmad Ramdan b. Mat Alim (Estate Manager) as Traceability PIC as appointment Latter dated 10/01/2022 with responsibility to manage traceability of FFB, recording, delivery and sales. Mohd Sharil b. Saidin (Asst Manager) was appointed as Traceability PIC by Irfan b. Ahmad Nadzirin (Estate Manager) in FGVPM Bukit Sagu 8 Estate. Appointment Letter dated 11/05/2021.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	The FFB weighbridge ticket/despatch note is produced for all transaction to FGVPISB Bukit Sagu POM. The set of documents among others consists of the following information; a) Weighbridge ticket - Date / D/O no / Quantity / W/bridge operator name - Total Bunches / Quality / Field no b) Despatch chit	Complied

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Criterion / Indicator		Assessment Findings	Compliance																																																																								
		<ul style="list-style-type: none"> - Serial no / field no / no of bunches / tractor no. <p>c) Delivery Note</p> <ul style="list-style-type: none"> - Date/ weight / w/bridge operator / MPOB licence no. <p>The following was sampled with details shown below;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Date</th> <th>Pass no</th> <th>Lorry no</th> <th>D/N No</th> <th>MT</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>15/12/22</td> <td>01619744</td> <td>WTN3204</td> <td>0325945</td> <td>6.05</td> </tr> <tr> <td>2</td> <td>15/12/22</td> <td>01619731</td> <td>WRK4842</td> <td>0325944</td> <td>2.34</td> </tr> <tr> <td>3</td> <td>12/12/22</td> <td>01619469</td> <td>WWB5583</td> <td>0325933</td> <td>5.65</td> </tr> <tr> <td>4</td> <td>12/12/22</td> <td>01619497</td> <td>WWB5583</td> <td>0325934</td> <td>7.04</td> </tr> <tr> <td>5</td> <td>07/12/22</td> <td>01619134</td> <td>WTN3204</td> <td>0325919</td> <td>5.99</td> </tr> <tr> <td>6</td> <td>01/12/22</td> <td>01618590</td> <td>VFX5734</td> <td>0325884</td> <td>6.58</td> </tr> </tbody> </table> <p>In FGVPM Bukit Sagu 8 Estate, the similar format of FFB weighbridge ticket/despatch note used and summary of Monthly FFB Delivered to mill for January 2023 sampled. Among data included such as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Date</th> <th>Pass no</th> <th>Lorry no</th> <th>D/N No</th> <th>MT</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>09/01/23</td> <td>01621723</td> <td>VGR 3963</td> <td>417271</td> <td>6.54</td> </tr> <tr> <td>2.</td> <td>05/01/23</td> <td>01621421</td> <td>VGR 3963</td> <td>417238</td> <td>6.06</td> </tr> <tr> <td>3.</td> <td>03/01/23</td> <td>01621268</td> <td>VGR 3963</td> <td>417224</td> <td>5.71</td> </tr> <tr> <td>4.</td> <td>07/01/23</td> <td>01621565</td> <td>VGR 3963</td> <td>417274</td> <td>6.01</td> </tr> </tbody> </table>		Date	Pass no	Lorry no	D/N No	MT	1	15/12/22	01619744	WTN3204	0325945	6.05	2	15/12/22	01619731	WRK4842	0325944	2.34	3	12/12/22	01619469	WWB5583	0325933	5.65	4	12/12/22	01619497	WWB5583	0325934	7.04	5	07/12/22	01619134	WTN3204	0325919	5.99	6	01/12/22	01618590	VFX5734	0325884	6.58		Date	Pass no	Lorry no	D/N No	MT	1.	09/01/23	01621723	VGR 3963	417271	6.54	2.	05/01/23	01621421	VGR 3963	417238	6.06	3.	03/01/23	01621268	VGR 3963	417224	5.71	4.	07/01/23	01621565	VGR 3963	417274	6.01	
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4.3 Principle 3: Compliance to legal requirements																																																																											
Criterion 4.3.1 – Regulatory requirements																																																																											
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	The management continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and sustainability team. Among the evidence of compliance verified are as follows:	Complied																																																																								

Criterion / Indicator		Assessment Findings	Compliance
		<p><u>FGVPM Bukit Sagu 7 Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License #559045002000 valid from 01/03/2022 to 28/02/2023 2. Petrol permit #PKPDNHEP.PHG.600-5/1/4/144 valid from 24/11/2022 to 23/11/2023 3. Diesel permit #PHG/PD/K33/97 valid from 12/10/2021 to 11/10/2024 4. Weighbridge certificate #DE08027104 inspected on 05/12/2022 <p><u>FGVPM Bukit Sagu 8 Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License #558969002000 valid from 01/03/2022 to 28/02/2023 2. Diesel permit #PHG/PD/K/29/2021 valid from 27/04/2021 to 26/04/2024 <p>FGV Holdings Berhad has obtained approval from <i>Jabatan Tenaga Kerja Semenanjung Malaysia</i> to make deduction of wages for electricity bill (RM 6 subsidized by company), water bill (RM 4 subsidized by company) and medical cost exceeded limit (RM 200 per worker). Seen the permit (Ref. No.: (22) dlm BHG. PU/9/129 Jld 23 dated 26/04/2016).</p>	
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>The applicable laws identified were listed in Register of Legal and Other Requirements, [FGV/GSD-SR/LR001]. The sample of Act and Legal at FGVPM Bukit Sagu 7 and FGVPM Bukit Sagu 8 Estate reviewed on 01/11/2022 as listed herein:</p> <ol style="list-style-type: none"> 1. OSHA 1994 2. Pesticides Act 1974 and Regulations, 3. Environmental Quality Act and Regulations 1974 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		4. Factories and Machinery Act and Regulations, 1967 5. Weights and Measures Regulations 1981 6. Electricity Regulations 1994 7. Immigration Act 1959 8. Employee Provident Fund 1991 9. Minimum Wages Order 2022 10. Peraturan – Peraturan Perkhidmatan BOMBA (Amendment) 2022	
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	FGV Holdings Berhad have centralised system for tracking any changes in the law as per “Panduan: Sistem Pengesanan Perubahan Undang-undang” dated 23/06/2015, Version:04. Any changes in the relevant regulations are through Plantation and Sustainability Department and the Manager, who are sole responsible.	Complied
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	Management has appointed the person in charge of Legal Requirement vide letter approved by Manager. PIC will monitor the compliance of regulatory requirements. Sample as below: FGVPM Bukit Sagu 7 Estate: Mohd Salihuddin Yaakob dated 10/01/2022 FGVPM Bukit Sagu 8 Estate: Mohd Shahril Saidin dated 08/02/2022	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	FGVPM Bukit Sagu 7 and 8 Estates had ensured that their oil palm cultivation activities do not diminish the land use rights of other users by maintaining list of land titles. No complaint or conflict on land ownership established.	Complied

Criterion / Indicator	Assessment Findings	Compliance																																																																																						
<p>4.3.2.2 The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- Major compliance -</p>	<p>FGVPM Bukit Sagu 7 Estate has the legal land use rights and the land is belong to FELDA in Mukim Ulu Kuantan with 99 leased year. This has been verified through the land title as below:</p> <table border="1" data-bbox="1048 544 1850 948"> <thead> <tr> <th>Ownership</th> <th>Lot No</th> <th>Size (Ha)</th> <th>Note</th> </tr> </thead> <tbody> <tr> <td>H.S.(D) 17975</td> <td>PT 1118</td> <td>161.12</td> <td></td> </tr> <tr> <td>H.S.(D) 17973</td> <td>PT 1116</td> <td>239.94</td> <td></td> </tr> <tr> <td>H.S.(D) 17974</td> <td>PT 1117</td> <td>82.99</td> <td></td> </tr> <tr> <td>H.S.(D) 17972</td> <td>PT 1115</td> <td>558.28</td> <td>0.05 Ha under Telco</td> </tr> <tr> <td>H.S.(D) 17971</td> <td>PT 1114</td> <td>3.69</td> <td></td> </tr> <tr> <td>H.S.(D) 19198</td> <td>PT 1167</td> <td>0.14</td> <td></td> </tr> <tr> <td>H.S.(D) 17970</td> <td>PT 1112</td> <td>1.96</td> <td rowspan="3">Under FGVPM Bukit Sagu 4 from Jul 2016</td> </tr> <tr> <td>H.S.(D) 19197</td> <td>PT 1166</td> <td>1.30</td> </tr> <tr> <td>H.S.(D) 17976</td> <td>PT 1119</td> <td>1,162.46</td> </tr> <tr> <td colspan="2">Total</td> <td>2,211.88</td> <td></td> </tr> </tbody> </table> <p>FGVPM Bukit Sagu 8 Estate maintained list of land titles and ownership as below:</p> <table border="1" data-bbox="1048 1027 1850 1391"> <thead> <tr> <th>Ownership</th> <th>Lot No</th> <th>Size (Ha)</th> <th>Note</th> </tr> </thead> <tbody> <tr> <td>H.S.(D) 18193</td> <td>PT 56572</td> <td>313.87</td> <td></td> </tr> <tr> <td>H.S.(D) 18197</td> <td>PT 56576</td> <td>196.61</td> <td></td> </tr> <tr> <td>H.S.(D) 18201</td> <td>PT 56580</td> <td>31.01</td> <td></td> </tr> <tr> <td>H.S.(D) 18200</td> <td>PT 56579</td> <td>32.84</td> <td></td> </tr> <tr> <td>H.S.(D) 18199</td> <td>PT 56578</td> <td>1.41</td> <td></td> </tr> <tr> <td>H.S.(D) 18173</td> <td>PT 1188</td> <td>29.92</td> <td></td> </tr> <tr> <td>H.S.(D) 18174</td> <td>PT 1189</td> <td>181.61</td> <td></td> </tr> <tr> <td>H.S.(D) 18175</td> <td>PT 1190</td> <td>221.74</td> <td>-1.89 (Felda)</td> </tr> <tr> <td>H.S.(D) 18176</td> <td>PT 1191</td> <td>25.5</td> <td></td> </tr> <tr> <td>H.S.(D) 18180</td> <td>PT 1195</td> <td>21.55</td> <td></td> </tr> </tbody> </table>	Ownership	Lot No	Size (Ha)	Note	H.S.(D) 17975	PT 1118	161.12		H.S.(D) 17973	PT 1116	239.94		H.S.(D) 17974	PT 1117	82.99		H.S.(D) 17972	PT 1115	558.28	0.05 Ha under Telco	H.S.(D) 17971	PT 1114	3.69		H.S.(D) 19198	PT 1167	0.14		H.S.(D) 17970	PT 1112	1.96	Under FGVPM Bukit Sagu 4 from Jul 2016	H.S.(D) 19197	PT 1166	1.30	H.S.(D) 17976	PT 1119	1,162.46	Total		2,211.88		Ownership	Lot No	Size (Ha)	Note	H.S.(D) 18193	PT 56572	313.87		H.S.(D) 18197	PT 56576	196.61		H.S.(D) 18201	PT 56580	31.01		H.S.(D) 18200	PT 56579	32.84		H.S.(D) 18199	PT 56578	1.41		H.S.(D) 18173	PT 1188	29.92		H.S.(D) 18174	PT 1189	181.61		H.S.(D) 18175	PT 1190	221.74	-1.89 (Felda)	H.S.(D) 18176	PT 1191	25.5		H.S.(D) 18180	PT 1195	21.55		<p>Complied</p>
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Criterion / Indicator		Assessment Findings				Compliance
		H.S.(D) 18177	PT 1192	15.42		
		H.S.(D) 18169	PT 1184	1.81		
		H.S.(D) 18170	PT 1185	32.65		
		H.S.(D) 18171	PT 1186	58.05	-0.77 (Felda)	
		H.S.(D) 18172	PT 1187	96.63		
		H.S.(D) 18181	PT 1196	81.32		
		H.S.(D) 18182	PT 1197	26.9		
		H.S.(D) 18179	PT 1194	48.39		
		H.S.(D) 18178	PT 1193	143.19		
		H.S.(D) 18168	PT 1174	8.32		
		H.S.(D) 18167	PT 1173	22.83		
		H.S.(D) 18192	PT 56569	122.88		
		H.S.(D) 18198	PT 56577	244.36	-5.42 (Felda)	
		Total		1,958.71	1,950.63	
		Lot JUPEM		282.47	-3.2 (Felda)	
		Total		2,233.10		
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>Sampled boundary marking maintained with red colored pole marking during site visit at Block PM15D. Available map with boundary marking. FGVPM Bukit Sagu 7 Estate is adjacent to:</p> <p>North: FGVPM Bukit Sagu 6 West: S.M Pelangi Estate South: Berdikari Estate East: FGVPM Bukit Sagu 4</p> <p>FGVPM Bukit Sagu 8 Estate is scattered divided and comprised of individual boundary marking with various individual and organizations. Estate has maintained a Boundary Map showing</p>				Complied

Criterion / Indicator		Assessment Findings	Compliance
		location of boundary stone. Among them such as at Sg. Endau, Sg. Ulat as photo dated 07/12/2022.	
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There is no land dispute reported during the time of audit by verified through information gathered from management staff.	N/A
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no land encumbered by customary rights under FGV Bukit Sagu certification unit.	N/A
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	There is no land encumbered by customary rights under FGV Bukit Sagu certification unit.	N/A
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There is no land encumbered by customary rights under FGV Bukit Sagu certification unit.	N/A
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			

Criterion / Indicator		Assessment Findings	Compliance
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	SIA was conducted on September 2022 by Sustainability Compliance and Certification Department, Group Sustainability Division, FGV Holdings Bhd for Kompleks Bukit Sagu. Internal and external stakeholders were involved during the assessment. SIA Management Plan has been established dated January 2022. Among objective to achieve were: <ol style="list-style-type: none"> 1. Improve the facilities of salary payment through new system called Machentrata. 2. Give awareness to the workers on new system called Machentrata. 3. Improve the system for passport storage for workers 4. All stakeholders to have good awareness on Complaint and Grievances Procedure 5. All workers include Local and Foreign was given a training and briefing on knowing their rights as a workers. 	Complied
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	FGV Holdings Berhad has developed procedure of dealing with complaint and grievances. Refer SOP: FGV/ML-1A/L2-Pr13 Issue No. 2 Rev. 02 dated 01/04/2019. The objectives of the procedure are to provide a channel for the internal stakeholders and external stakeholders to lodge any complains to the management. Mechanism to handle complaints was clearly described in the procedure. The time frame for investigation of the issue should be done within 14 working days. Refer Section 9 Carta Alir Proses Aduan.	Complied
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	The estates are using Complaint Form for external stakeholder and Complaint Book to record complaints and requests reported by the	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	internal workers. There was no complaint received from external stakeholders for FGVPM Bukit Sagu 7 Estate. Internal Stakeholders complaint stated in the 4.4.2.3.	
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	The estates are using Complaint Form for external stakeholder and Complaint Book to record complaints and requests reported by the internal workers. Sample of complaint record were: 1. 12/09/2022 from Sollihuiddin, Issue: Broken lamp, Issue has been solved the issue on 14/09/2022 2. 04/10/2022 from Ishak, Issue: Main suis broken. Issue has been solved the issue on 17/10/2022.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Awareness training has been conducted on 24/08/2022 at FGVPM Bukit Sagu 7 Estate. Refer training material "Penerangan Komunikasi (Aduan & Rungutan), Ikrar Anti Rasuah, Has Asasi Manusia, Kebebasan Bersuara Dan Menganggotai Kesatuan". Training has been given by Mr Mohd Firdaus and attended by 14 participants. Interview with the internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure, and they were briefed by the management during stakeholder meeting.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	The estates are using a form "Borang Permohonan Pembaikan Asrama and Borang Kerosakan & Pembaikan Rumah Kakitangan/ Pejabat/ Asrama/ Stor". The past 24 months records of complaint were still available for verification.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			

Criterion / Indicator		Assessment Findings	Compliance
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>Sighted CSR record for 2022:</p> <p><u>FGVPM Bukit Sagu 7 Estate</u></p> <ol style="list-style-type: none"> 1. Transport for Students SMK Bukit Sagu to camp dated 19-21/08/2022 2. Donation due to flood dated 03/01/2022 <p><u>FGVPM Bukit Sagu 8 Estate</u></p> <ol style="list-style-type: none"> 1. Donation for Hari Raya Festival to workers 	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Sighted Group Occupational Safety & Health Management Policy established, documented and implemented as follows: 'Pernyataan Polisi Kesihatan Dan Kesihatan Keselamatan signed by CEO (Mohd Nazrul Izam Mansor) dated 05/11/21". Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees & contractors & visitors. The Policy is implemented among others through the OSH activities stated in OSH Programmes 2022.</p> <p>FGVPM Bukit Sagu 7 Estate established and documented OSH Programmes for year 2022.</p> <ul style="list-style-type: none"> • Setting of OSH Objectives (Jan) • Meeting of SHC (4 times a year) • Training on OSH (Along the year as training calender) • Medical Surveillance (August) • NRA (Feb) • Fire Drill (Jul) 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Firat Aider Training (Mac) • Review Hords (Jan) • 1st Aid box inspection (Mac, Jul, Oct) and etc. 	
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied <p>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).</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</p>	<p>a) OSH Policy was communicated and briefed as Briefing Report conducted on 16/05/2022 held at Meeting Room attended by Manager, Assistant Manager, Supervisor, Clerks, Office Staff.</p> <p>b) Hazard identification an assessment of risk was conducted in 2022 for 45 work activities in the FGVPM Bukit Sagu 8 Estate. Assessment was done on 30/11/2022.</p> <ul style="list-style-type: none"> • Flood in Estate • Boundary Marking • Office • Manual Manuring • Pruning • Store • Spraying • Replanting and etc. <p>CHRA was conducted by Dr. Yasriza Yahaya (JKKP HIE/127/2(8) on 09/01/2019. Noise Risk Assessment was conducted by Mohd Ismadi Ismail (HQ/11/PEB/00/118) from Handstech Solution Services Sdn Bhd on 22/02/2022. Medical Surveillance was conducted as Report prepared by Klinik Syed Badaruddin Sdn Bhd, Kuantan dated 14/09/2022. Hearing Conservation (Audiometric) was conducted by Dr. Syed Badaruddin (HQ/17/DOC/00/7) on 27/08/2022. Involving 13 workers (Grass cutter & Sprayer).</p>	Major Non-Conformities

Criterion / Indicator	Assessment Findings	Compliance
<p>must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee’s health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>FGVPM Bukit Sagu 7 Estate has reviewed and updated Hirarc dated 23/03/2022 for 42 activities reviewed and approved by Estate Manager.</p> <p>The safety and health plan related HIRARC was not adequately demonstrated.</p> <p>FGVPM Bukit Sagu 7 Estate - The newly introduced mechanization (Grabber) application found included in HIRARC, however it was found that some of risk related not fully discussed related noise to exposure, exposure to smoke and mechanical hazards. Thus, Major NC was raised.</p> <p>c) In FGVPM Bukit Sagu 8 Estate, sighted training and explanation of Spraying SOP and PPE conducted on 08/03/2022 at Peringkat 19F (Block 4). Attended by 25 employees.</p> <p>FGVPM Bukit Sagu 8 has conducted Spraying Training on 24/09/2022 and attended by 10 Prayers, Mandores and Supervisor. Chemical and Pesticides Hazardous Awareness was conducted on 24/09/2022</p> <p>d) Sighted Sprayers wearing PPE such as helmet, goggles, face mask, apron, nitrile gloves, wellington boots at PM15C. While in Block PM18D, three interviewed Harvesters found wearing safety helmet, cotton gloves, safety boots and safety vest. A record of PPE Issuance maintained for Year 2023 in FGVPM Bukit Sagu 07 Estate. On 02/01/2022: Nitrile Glove, Apron, Respirator, Goggles were issued to Muzibur, Gollakumati Ganesh, Abdul Satar, Rofikul Molla, Mujaffar Sekh. While 4 interviewed Sprayers (Bangladeshi and Indian) found wearing Safety Helmet, goggles, cartridge face mask, apron, safety boots and green nitrile gloves. Based from sampled PPE Matrix FGVPM approved by Estate Manager,</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Harvester required to wear: Safety Helmet, Cotton Gloves, Rubber shoe (high), sickle. Sprayer required to wear: Safety Helmet, Goggles, Respirator with cartridge, nitrile gloves, rubber shoe (high), apron.</p> <p>The safety and health plan related PPE was not adequately demonstrated.</p> <p>FGVPM Bukit Sagu 8 Estate - During site visit at Block 08 in FGVPM Bukit Sagu 8 Estate, sighted 2 harvesters not wearing Safety Helmets and left them hanged on the tree while doing their job. Thus, Major NC was raised.</p> <p>e) Felda Global Venture Plantations (M) Sdn. Bhd. established Manual Procedure (FGV/FGVPM/II/IMS/15/009) for Chemical Control. In the procedure, process and safe handling of chemicals explained and in line with USECHH 2000 and CLASS 2013 requirements.</p> <p>f) Sighted SHC Organization Chart for FGVPM Bukit Sagu 7 Estate Year 2022 where Chairman is Ahmad Ramdan b. Mat Alim (Estate Manager), Secretary is Mohd Solihuddin b. Yaakob (Asst Manager), and 11 members (Employee and employer representatives). Ahmad Ramdan b. Mat Alim (Estate Manager) was appointed as SHC Chairman by Ayazi Saleh (Regional Controller) Appointment Letter dated 27/04/2022. Secretary (Mohamad Solihuddin b. Yaakob) as appointed by Ayazi Saleh (Regional Controller) as in Appointment Letter dated 27/04/2022.</p> <p>In FGVPM Bukit Sagu 8, available Organization Chart of SHC where Chairman is Irfan b. Ahmad Nadzirin (Estate Manager), Secretary is Mohd Haidar b. Azizol (Asst. Manager) and 14 members (employer and employee representatives). Sighted</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Appointment Letter dated 06/01/2021 issued to Irfan Ahmad Nadzirin (Estate Manager) as Chairman of SHC by Ayazi b. Saleh (Regional Controller).</p> <p>g) SHC Meeting was conducted regularly as minutes on meeting (FGVPM/L4/PP4.1Pind.0) Bil 04 on 21/12/2022, 03/2022 on 22/09/2022, 02/2022 on 22/06/2022, 01/2022 on 22/03/2022. All minutes signed by Estate Manager (Ahmad Ramdan b. Mat Alim) Chairman of SHC. In FGVPM Bukit Sagu 8, Minutes of SHC Meeting was sampled and found conducted quarterly on 19/12/2022, 28/09/2022, 22/06/2022, 24/03/2022.</p> <p>h) SOP Emergency SOP (FGV/FGVPM/II/IMS/15/013 Ver.02 dated 01/11/21 to explain process of determining emergency, emergency preparedness and response for handling scenarios such as fire, chemical spillage, earthquake, flood, terrorist threat, pandemic and etc.</p> <p>i) Sighted a list of 1st Aider for FGVPM Bukit Sagu 7 Estate trained on 31/03/2022 at FGVPM Lepar Hilir 05 Estate b SAC Consultancy. Attendees were Hasrullah b. Alwee and Mohd Shahrulnizam b. Rusli.</p> <p>j) Accident statistic and records maintain and as verified in the 4 minutes of SHV Meeting mentioned earlier, FGVPM Bukit Sagu 7 Estate has discussed in SHC Meeting conducted as 01/2022, 02/2022, 03/2022, 04/2022. Statistic of accident in 2022 was recorded and reported to DOSH on 06/01/2023 with zero reported cases. Sighted records of accident on 09/11/2022 discussed in SHC meeting Minutes conducted on 14/11/2022. Sighted Form JKPP 6 notified to DOSH dated 15/11/2022 involving Kumbh Lal (Harvester) finger injury and MC 71 days.</p>	

Criterion / Indicator		Assessment Findings	Compliance
		JKKP for statistic of accident and occupational poisoning 2022 was reported to DOSH using myKKP (JKKP 8) on 06/01/2023.	
Criterion 4.4.5: Employment conditions			
4.4.5.1	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. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.0 (B). Respecting Human Right. FGV is committed and support human rights. Communication to the employees was done in various methods such as briefing during morning muster, display on notice boards at workers' hostel and training. Interview with workers showed that they have a good understanding on human rights. Latest awareness on the policies has been conducted on: FGVPM Bukit Sagu 7 Estate: 22/02/2022 FGVPM Bukit Sagu 8 Estate: 21/02/2022	Complied
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	FGV Holdings Berhad has established Equal Opportunity Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.1 Equality and Non-Discrimination. The company is committed to ensure all the employees are treated equally regardless of race, nationality religion, gender, age and other political opinions. Interview with the workers showed that no discrimination is being practiced. Latest awareness on the policies has been conducted on 24/08/2022.	Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed	FGVPM Bukit Sagu 7 Estate has an employment contract for its foreign workers. Pay and conditions are documented and are above	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>the Minimum Wage Order 2022. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker.</p> <p>Sampled of the agreement and pay slips for the months of Aug 2022, Oct 2022 and Dec 2022 as below:</p> <p><u>FGVPM Bukit Sagu 7 Estate</u></p> <ol style="list-style-type: none"> 1. Employee ID: FW04750989 2. Employee ID: FW04750994 3. Employee ID: LW04750063 4. Employee ID: LW04750034 5. Employee ID: FW04751247 6. Employee ID: FW04751211 7. Employee ID: FW04751240 8. Employee ID: FW04751242 <p><u>FGVPM Bukit Sagu 8 Estate</u></p> <ol style="list-style-type: none"> 1. Employee ID: LW06290005 2. Employee ID: LW06290020 3. Employee ID: FW03781626 4. Employee ID: FW04540073 5. Employee ID: FW06290809 6. Employee ID: FW06290810 7. Employee ID: FW06290945 8. Employee ID: FW06290946 	

Criterion / Indicator		Assessment Findings	Compliance																
<p>4.4.5.4</p>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>Sighted availability of contractors at estate. Contractors were submitting the copy of workers agreements to the office. Payslip were verified for the month of Aug 2022 and Nov 2022. Sample of employees of contractors as below:</p> <p><u>FGVPM Bukit Sagu 7 Estate</u> Nalar Gemilang Enterprise, contract number: 5300008558 dated 31/12/2021 1. Employee NRIC = 791116-XX-XXXX</p> <p><u>FGVPM Bukit Sagu 8 Estate</u> Mahu Berjaya Enterprise, contract number: 5300005421 dated 28/2/2021 1. Employee NRIC = 931106-XX-XXXX</p> <p>Suria Fajar Enterprise, contract number: 5300005214 dated 24/12/2021 1. Employee NRIC = 890519-XX-XXXX</p> <p>Training for contractors has been conducted on 12/11/2022</p> <p>The contractors have yet to comply the Employees’ Social Security Act 1969 (Act 4). SOCSO contribution made was not in accordance to Employees’ Social Security Act 1969 (Act 4) effective on 01/01/2019. Details as below:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Salary</th> <th>Deduction</th> <th>As per SOCSO Table</th> </tr> </thead> <tbody> <tr> <td colspan="4">Contractor: Nalar Gemilang Enterprise Sample workers: NRIC: 791116-XX-XXXX</td> </tr> <tr> <td>Nov 2022</td> <td>RM 1,846.20</td> <td>RM 8.75</td> <td>RM 9.25</td> </tr> <tr> <td>Aug 2022</td> <td>RM 2,111.05</td> <td>RM 8.75</td> <td>RM 10.75</td> </tr> </tbody> </table>	Month	Salary	Deduction	As per SOCSO Table	Contractor: Nalar Gemilang Enterprise Sample workers: NRIC: 791116-XX-XXXX				Nov 2022	RM 1,846.20	RM 8.75	RM 9.25	Aug 2022	RM 2,111.05	RM 8.75	RM 10.75	<p>Major Non-Conformities</p>
Month	Salary	Deduction	As per SOCSO Table																
Contractor: Nalar Gemilang Enterprise Sample workers: NRIC: 791116-XX-XXXX																			
Nov 2022	RM 1,846.20	RM 8.75	RM 9.25																
Aug 2022	RM 2,111.05	RM 8.75	RM 10.75																

Criterion / Indicator		Assessment Findings				Compliance								
		Contractor: Suria Fajar Enterprise Sample workers: 890519-XX-XXXX <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Oct 2022</td> <td style="width: 20%;">RM 3,000.00</td> <td style="width: 20%;">RM 13.10</td> <td style="width: 20%;">RM 14.75</td> </tr> <tr> <td>Dec 2022</td> <td>RM 3,000.00</td> <td>RM 13.10</td> <td>RM 14.75</td> </tr> </table> Thus, Major NC was raised.				Oct 2022	RM 3,000.00	RM 13.10	RM 14.75	Dec 2022	RM 3,000.00	RM 13.10	RM 14.75	
Oct 2022	RM 3,000.00	RM 13.10	RM 14.75											
Dec 2022	RM 3,000.00	RM 13.10	RM 14.75											
4.4.5.5	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. - Major compliance -	All the recruited workers will be registered in the Online Plantation Management System (OPMS) where personal details such as name, nationality, date of employed, job description, wage rate, date of birth, gender and years of service was stated in the system.				Complied								
4.4.5.6	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. - Major compliance -	Employment Contracts were issued and acceptance of copied of employment contract were acknowledged by the workers. The terms and conditions were clearly stated in the employment contract such as annual leave entitlement, benefits and medical leave. The sampled employment contracts are as follows: Sampled of the agreement and pay slips for the months of Aug 2022, Oct 2022 and Dec 2022 as below: <u>FGVPM Bukit Sagu 7 Estate</u> 1. Employee ID: FW04750989 2. Employee ID: FW04750994 3. Employee ID: LW04750063 4. Employee ID: LW04750034 5. Employee ID: FW04751247 6. Employee ID: FW04751211				Complied								

Criterion / Indicator		Assessment Findings	Compliance
		7. Employee ID: FW04751240 8. Employee ID: FW04751242 <u>FGVPM Bukit Sagu 8 Estate</u> 1. Employee ID: LW06290005 2. Employee ID: LW06290020 3. Employee ID: FW03781626 4. Employee ID: FW04540073 5. Employee ID: FW06290809 6. Employee ID: FW06290810 7. Employee ID: FW06290945 8. Employee ID: FW06290946	
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	Both Estate is using Pocket Check roll Book where the attendance of workers is recorded on daily basis. Overtime is recorded in which is acknowledged by the workers and staff. The raw data will be key in in the system as 4.4.5.5.	Complied
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	Records reviewed on the Check roll Book of sampled workers found that the enter time and exit time was clearly stated in the timecard. The sampled workers above have recorded overtime not exceeding 104 hours per month.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	Documented pay slip was distributed to individual workers on the day of payment. All of them above have achieved the Minimum Wage Order 2022. Hours of overtime has recorded in the pay slip as well.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>Sampled of the agreement and pay slips for the months of Aug 2022, Oct 2022 and Dec 2022 as below:</p> <p><u>FGVPM Bukit Sagu 7 Estate</u></p> <ol style="list-style-type: none"> 1. Employee ID: FW04750989 2. Employee ID: FW04750994 3. Employee ID: LW04750063 4. Employee ID: LW04750034 5. Employee ID: FW04751247 6. Employee ID: FW04751211 7. Employee ID: FW04751240 8. Employee ID: FW04751242 <p><u>FGVPM Bukit Sagu 8 Estate</u></p> <ol style="list-style-type: none"> 1. Employee ID: LW06290005 2. Employee ID: LW06290020 3. Employee ID: FW03781626 4. Employee ID: FW04540073 5. Employee ID: FW06290809 6. Employee ID: FW06290810 7. Employee ID: FW06290945 8. Employee ID: FW06290946 	
<p>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.</p>	<p>The management has provided facilities such as mosque, recreational facilities such as futsal field, badminton court and volleyball court to the workers and dependents. Government clinic was available in the complex. The workers will be awarded with</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	bonus once a year based on performance. Various incentive and allowance were also given to the workers.	
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 -	The workers in the estates have been provided with basic facilities such as government clinic, football field, mosque, sundry shops and other amenities such as electricity and water supply from government with subsidize. Weekly inspection was recorded in "Borang Pemeriksaan Asrama Pekerja". Last inspection on 2 nd week of January 2023.	Complied
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.5 Preventing Harassment and Abuse. The company is committed to protect the rights of women on the reproductive and family planning. Gender Committee was developed at FGVPB Bukit Sagu 7 Estate to provide a system to channel the complaint regarding sexual harassment and violence. Latest Gender Committee Meeting was conducted on 12/09/2022 at FGVPB Bukit Sagu 7 Estate.	Complied
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in 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.	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard. The company allows the employees to join any legal association and get approval from the management. There is no union form at estate. Verified through Interview found that workers aware on no restriction to form and join union. Meeting with worker representative with management has been conducted on:	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	FGVPM Bukit Sagu 7 Estate: 20/04/2022 FGVPM Bukit Sagu 8 Estate: 15/06/2022	
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. 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. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard where the company will not recruit any individual who less than 18 years old to work in plantations. Document reviewed on the list of workers confirmed that all the employees were above 18 years old. Latest awareness on the policies has been conducted at FGVPM Bukit Sagu 7 Estate on 24/08/2022.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	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. - Major compliance -	Available as sampled a Training Needs Analysis and Briefing 2022 with Implementation such as: <ul style="list-style-type: none"> • Quality, OSH, Anti Bribery Policy was communicated and briefed as Briefing Report conducted on 16/05/2022 held at Meeting Room attended by Manager, Assistant Manager, Supervisor, Clerks, Office Staff. • RTE Briefing was conducted on 08/08/2022 and attended by 7 staff and workers. • Training on Invasive Species (Global Invasive Species & CABI) was conducted on 06/12/2022 and attended by 14 staff and workers. • Buffer Zone Training was conducted on 06/12/2022 and attended by 32 workers. • Schedule Waste Handling and Disposal training was conducted on 06/12/2022 and attended by 5 workers. 	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> • Briefing on Contract, Wages to New Foreign Workers was conducted on 12/11/2022 attended by 19 workers. • Good Business Conduct and Code of Ethic briefing was conducted on 16/11/2022 and attended by 11 workers. • RSPO/MSPO Briefing to contractor was conducted on 22/02/2022 and attended by 6 representatives from contractor. • Scout Harvesting and Basal Prunning training was conducted on 04/07/2022 and attended by 21 workers included harvesters. • Briefing on Sustainability & OSH Policies was conducted on 24/08/2022 and attended by 32 workers. • HCV and Biodiversity management and Protection was conducted on 12/11/2022 and attended by 26 workers. • Training and Briefing for Chemical Handling and Calibration was conducted on 07/07/2022 and attended by 21 workers. • Briefing and Demonstration of Fire extinguisher Use with JBPM Pahang was conducted on 12/11/2022 and attended by 32 workers <p>FGVPM Bukit Sagu 8 Estate has conducted and maintained records as Training Plan Year 2022 of:</p> <ul style="list-style-type: none"> • Chemical and Pesticides Hazardous Awareness was conducted on 24/09/2022. • Manuring Training was conducted on 22/09/2022 and attended by 10 Mandores, Sprayers and Supervisors. • FFB Loading Training was conducted on 12/09/2022 and attended by 13 workers. 	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Sustainability Policy and Lesson Learnt (Lightning Strike) briefing was conducted on 25/08/2022 and attended by 17+19+21 workers. • PPE Training and Briefing was conducted on 08/08/2022 and attended by 12 workers. • Safe Working Procedure Briefing was conducted on 04/08/2022 attended by 34 workers. • Triple Rinse Training was conducted on 11/07/2022 attended by 6 workers. 	
4.4.6.2	<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>- Major compliance -</p>	<p>Training Needs and Briefing 2022 established with consideration of all level of employees (Estate Manager, Asst Managers, Mandore, Supervisor, Manurer, Sprayer, Harvester, Driver, Genset Operator, General Worker, New Worker, Stakeholders, First Aider, ERT. Contractor) in order to provide the specific skill and competency required to all employees based on their job description. Document Approved by Mohd Rafi b. Remli (GM CCD, FGVP)</p>	Complied
4.4.6.3	<p>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.</p> <p>- Minor compliance -</p>	<p>Training is planned and summarised in the OSH Plan. This complies and details above. Training program 2022 made on annual basis and implemented to ensure that all employees are well trained in their job function and responsibility as sampled.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be</p>	<p>FGV Holdings Berhad have implemented an Environmental Policy Statement undersigned by the Group CEO on 18/03/2022. (Doc</p>	Complied

Criterion / Indicator		Assessment Findings				Compliance								
	<p>developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Number: FGV/HSE/POL/002). The policy has been communicated to all workers, staffs and stakeholders during morning muster and regular meetings conducted.</p> <p>The group company had established environmental plan based on the environmental aspect & impact assessment, guided by the "Laporan Aspek Impak Alam Sekitar Melalui Aktiviti Perladangan, Bahan Buangan dan Pencemaran", doc no: 1/2012, type of doc: RSPO2010(Kriteria 5.1/5.3/5.6), effective date on 01/02/2019. Among the plan developed are as follow:</p> <ul style="list-style-type: none"> a. GHG Monitoring & Pollution Reduction Plan. b. Diesel Pollution Plan. c. Solid and Domestic Waste Management Plan. d. Water Management Plan. e. HCV Management Plan. 												
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>Both estate management, has conducted environmental aspect and impact assessment for all its' activities. The environmental impact assessment was guided by its Environmental Aspect and Impact Evaluation procedure. The identification of Environmental Aspects and Evaluation of Significance Form was used to identify and evaluate the environmental aspect and impact.</p> <p>They have listed 44 activities that may gives impact to the environment. Sighted as follow:</p> <table border="1"> <thead> <tr> <th>Activities</th> <th>Aspect</th> <th>Impact</th> <th>Control</th> </tr> </thead> <tbody> <tr> <td>Empty chemical container handling.</td> <td>Use of water during triple rinse.</td> <td>Water pollution</td> <td>Use of sump.</td> </tr> </tbody> </table>				Activities	Aspect	Impact	Control	Empty chemical container handling.	Use of water during triple rinse.	Water pollution	Use of sump.	Complied
Activities	Aspect	Impact	Control											
Empty chemical container handling.	Use of water during triple rinse.	Water pollution	Use of sump.											

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Criterion / Indicator		Assessment Findings				Compliance						
		Diesel receive	Diesel spillage.	Land pollution.	SOP of diesel receive.							
		Weeding	Spray near water catchment.	Water contaminated.	Training and awareness.							
		Fertilizer application.	Empty fertilizer bag.	Land pollution.	Reuse bag for loose fruit collection.							
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 -	Sighted the environment management plan for the year 2023 developed to mitigate the negative impacts and to promote the positive one and effectively implemented.				Complied						
		<table border="1"> <thead> <tr> <th>Activity/Station</th> <th>Impact</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>Weeding</td> <td>Water contaminated.</td> <td>Training and awareness.</td> </tr> </tbody> </table>				Activity/Station	Impact	Action Plan	Weeding	Water contaminated.	Training and awareness.	
Activity/Station	Impact	Action Plan										
Weeding	Water contaminated.	Training and awareness.										
		Sighted the training and briefing regarding on the buffer zone management training was conducted on 06/12/2022. All above documents were reviewed by the estate management, dated on January 2023 and subject to review annually.										
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Both estates have established the environmental management plan based on the Environmental Aspect Impact Identification. The estates continued to promote activities that gives positive impact to the environment by continuously provided awareness to the employee. The promotion was communicated through training briefing and signage.				Complied						
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	FGVPM Bukit Sagu 7; Training and briefing recorded as below: a. "Latihan Pengurusan HCV & Biodiversiti", conducted on 12/11/2022.				Complied						

Criterion / Indicator		Assessment Findings	Compliance									
	objectives. - Major compliance -	b. "Latihan dan Penerangan Sisa Pepejal", conducted on 06/12/2022. c. "Latihan & Penerangan Pengendalian Bahan Buangan Terjadual", conducted on 06/12/2022. d. "Latihan Zon Penampan", conducted on 06/12/2022. FGVPM Bukit Sagu 8; Training and briefing recorded as below: a. Briefing on the waste management, conducted on 15/11/2022. b. Briefing on conservation of nature, conducted on 18/10/2022. c. Training on the HCV management, wildlife and RTE, conducted on 11/10/2022. d. Training on triple rinse & empty chemical container disposal, conducted on 11/07/2022. e. Briefing on buffer zone, conducted on 06/07/2022.										
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	FGVPM Bukit Sagu 7 conducted environmental meeting on 16/02/2022 and 21/09/2022, while FGVPM Bukit Sagu 8 conducted environmental meeting on 13/10/2022. Among the agenda discussed during the meeting were MSPO audit requirement, open burning, schedule waste management, buffer zone area, HCV area and domestic waste management.	Complied									
Criterion 4.5.2: Efficiency of energy use and use of renewable energy												
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the	The record for diesel consumption and its baseline was available during the audit session. Sighted as below: <table border="1" data-bbox="1048 1294 1854 1394"> <thead> <tr> <th>Parameter / Year 2022</th> <th>Bukit Sagu 7</th> <th>Bukit Sagu 8</th> </tr> </thead> <tbody> <tr> <td>Diesel</td> <td>28073</td> <td>38517</td> </tr> <tr> <td>FFB</td> <td>7220.6</td> <td>24882.8</td> </tr> </tbody> </table>	Parameter / Year 2022	Bukit Sagu 7	Bukit Sagu 8	Diesel	28073	38517	FFB	7220.6	24882.8	Complied
Parameter / Year 2022	Bukit Sagu 7	Bukit Sagu 8										
Diesel	28073	38517										
FFB	7220.6	24882.8										

Criterion / Indicator		Assessment Findings			Compliance
	operations over the base period. - Major compliance -	Diesel / FFB (Baseline)	3.89	1.55	
		Data is being compiled for comparison and control for future improvement. Monitoring is made using diesel/Mt FFB, commentary on variance on irregularities variances.			
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets. FGVPM Bukit Sagu 7 estimated diesel usage for year 2023 at 18826.29 litres whilst FGVPM Bukit Sagu 8 estimated the diesel usage at 56,651 litres.			Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No renewable energy being used in both estates.			Complied
Criterion 4.5.3: Waste management and disposal					
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Both estates management had identified all wastes and sources of pollution. The Waste Management Action Plan 2022 were established to mitigate and control the identified wastes and source of pollution. Waste management plan was made available to audit team. The plan listed 2 sources of waste generated from estate operation and office & resident area. Among the type of waste documented are as follow			Complied
		Waste/ Pollution	Waste	Plan	
		Domestic	Fertilizer bag Tire Use wood or metal Paper/ Plastic/ Glass	Record To conduct training	

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Criterion / Indicator		Assessment Findings			Compliance
			Electronic Housing waste Domestic waste	Collect and sell to local vendor.	
		Schedule Waste	Used PPE Empty chemical container Empty paint container Spent lubricants Fluorescent lamp Electronic part Batteries	No burn. Collect and record in inventory file. Disposed to licensed contractor.	
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>- Major compliance -</p>	a.	<p>Identification and monitoring sources of waste and pollution is documented in the waste management plan (indicator 4.5.3.1) above. The identification of Environmental Aspects and Evaluation of Significance Form was used to identify and evaluate the environmental aspect and impact. Identification of impact and scoring is based on Manual Procedure (FPI/L2/QOHSE-1.0) Hazard Identification, Risk Assessment, Determining Control and Environmental Aspects.</p>		Complied
		b.	<p>The estate management recycled potential wastes such as dried frond, chipping, empty fruit bunch, POME, shell and mesocarp fiber as nutrient sources for the palm oil. Interview with staffs and workers i.e. storekeepers and chemical mixer were trained and they had understood the hazards involved and how the chemicals should be used and disposed in a safe manner.</p>		
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,</p>		<p>Standard operating procedure for handling schedule waste has been documented in the document title "Pengurusan Bahan Buangan". In the procedure has outline the process out schedule waste disposal.</p>		Complied

Criterion / Indicator		Assessment Findings	Compliance
	Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. - Major compliance -	Domestic waste disposed to the municipal landfill, collected by licensed contractor BUJ Technology Enterprise Sdn Bhd. Latest payment was made on 05/12/2022. The schedule wastes were disposed by FGVPM Bukit Sagu 4 as the centralized collection center for the region. Each operating unit under this region maintain its own internal inventory and stored in their schedule waste store. Sighted dispatch letter "Penghantaran Bahan Buangan Terjadual" from FGVPM Bukit Sagu 7 to FGVPM Bukit Sagu 4, dated on 05/10/2022 (SW 409 – rubber glove, apron & respirator) while for FGVPM Bukit Sagu 8 dated on 20/10/2022 (SW 409 – empty chemical containers & rubber glove).	
4.5.3.4	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. - Major compliance -	During the site visit, it was observed that the empty chemical containers were triple rinsed and punctured to prevent contamination of water source or to human health. Empty chemical containers then were sent to FGVPM Bukit Sagu 4 as centralize center. Latest record disposal dated on 20/10/2022, disposed to Greenverse Sdn Bhd (SW 305: spent lubricant - 190 kg, SW 409 – containers, rubber glove, bags – 560 kg, SW410: rags, plastics, filters – 30 kg).	Complied
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	Domestic waste disposal for both estates was arranged by the BUJ Technology Enterprise Sdn Bhd. Domestic waste was disposed at Government Bin.	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.	Both estates had established assessment on the polluting activities that include the GHG emission, scheduled wastes generations, solid wastes, and effluent. Sighted the plan as follow:	Complied

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Criterion / Indicator		Assessment Findings			Compliance
	- Major compliance -	Activities	Impact	Action Plan	
		FFB transportation	Air pollution from vehicle's smoke. Pollution due to diesel consumption. Pollution due to vehicle lubricant.	Scheduled inspection at PUSPAKOM. Turn off vehicle while waiting. Regular vehicle maintenance.	
		Chemical spraying	Chemical pollution. Chemical drum pollution. Land pollution from undispensed chemical containers.	No spraying at buffer zone. Chemical calibration. Triple rinsed before disposal.	
		Fertilizer application	Fertilizer bag pollution	Reused for loose fruit collection.	
		Waste disposal	Odor and air pollution.	Only organic waste to be disposed. Training and awareness	
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Action plan to overcome the pollution as per documented under indicator 4.5.4.1 above. Sighted the implementation done by the estate management.			Complied
		Action Plan	Implementation		
		Scheduled inspection at PUSPAKOM. Turn off vehicle while waiting. Regular vehicle maintenance.	Vehicle inspection for WRJ1275 (lorry) at PUSPAKOM was conducted on 08/11/2022. Maintenance records made available and verified.		

Criterion / Indicator		Assessment Findings				Compliance															
		No spraying at buffer zone. Chemical calibration. Triple rinsed before disposal.	Related training was conducted; triple rinse - 11/07/2022, no spraying - 24/09/2022. Triple rinsed - 26/12/2022 (18 container)																		
		Reused for loose fruit collection.	Records of fertilizer bag used to carry loose fruit.																		
		Only organic waste to be disposed. Training and awareness	Domestic waste disposed to landfill, arranged by BUJ Technology Enterprise Sdn Bhd. Waste collection done twice a week.																		
Criterion 4.5.5: Natural water resources																					
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at 	<p>Water management plan has been established by the management of both estates and has been documented in the document title “Pelan Pengurusan Air” that has been prepared by their respective assistant managers.</p> <ul style="list-style-type: none"> a. Water supply for estate comes from “Pengurusan Air Pahang Berhad” and rainwater harvest. As for 2021, the estate recorded water consumption at 11,234.37 m3. b. Monitoring of outgoing water analysis was conducted once in two years. Latest sampling was conducted on 02/11/2021 for FGVPM Bukit Sagu 7 and 18/10/2021 for FGVPM Bukit Sagu 8. Both water analysis results are satisfactory. Sighted the result as follow: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Estate</th> <th colspan="2" style="width: 25%;">FGVPM BS7</th> <th colspan="2" style="width: 25%;">FGVPM BS8</th> </tr> <tr> <th>Parameters</th> <th>Inlet</th> <th>Outlet</th> <th>Inlet</th> <th>Outlet</th> </tr> </thead> <tbody> <tr> <td>pH @ 27.2</td> <td>6.2</td> <td>6.3</td> <td>6.5</td> <td>6.6</td> </tr> </tbody> </table>				Estate	FGVPM BS7		FGVPM BS8		Parameters	Inlet	Outlet	Inlet	Outlet	pH @ 27.2	6.2	6.3	6.5	6.6	Complied
Estate	FGVPM BS7		FGVPM BS8																		
Parameters	Inlet	Outlet	Inlet	Outlet																	
pH @ 27.2	6.2	6.3	6.5	6.6																	

Criterion / Indicator		Assessment Findings					Compliance																						
	<p>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>- Major compliance -</p>	<table border="1"> <tr> <td>BOD</td> <td>1</td> <td>1</td> <td>7</td> <td>7</td> </tr> <tr> <td>COD</td> <td>6</td> <td>8</td> <td>60</td> <td>53</td> </tr> <tr> <td>Total Suspended Solid</td> <td>12</td> <td>15</td> <td>4</td> <td>19</td> </tr> <tr> <td>Ammonia Nitrogen</td> <td>0.1</td> <td>0.1</td> <td>0.2</td> <td>0.1</td> </tr> <tr> <td>Dissolved Oxygen</td> <td>8.68</td> <td>8.72</td> <td>8.20</td> <td>8.17</td> </tr> </table>	BOD	1	1	7	7	COD	6	8	60	53	Total Suspended Solid	12	15	4	19	Ammonia Nitrogen	0.1	0.1	0.2	0.1	Dissolved Oxygen	8.68	8.72	8.20	8.17	<p>c. To optimize the water and nutrient usage to reduce wastage, management to monitoring the pipe leakage in residential area, ensure no leakage of spraying pumps and educate the workers regarding to promotes water conservation.</p> <p>d. FGV Holdings Berhad had developed standard procedure for buffer zone management, doc no: FGVPM/L2/PAS-03, revision no: 1.0, effective date: 23/01/2022. Under this SOP, it was stated that chemical spray and manuring are not allowed in buffer zone.</p> <p>e. According to the SOP mentioned in point (d), the restoration of removed vegetation to be done immediately to avoid any other consequences.</p> <p>f. No bore well, being use as water supply in the estate.</p>	
BOD	1	1	7	7																									
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4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	No construction of bunds, weirs, and dams across the river through the estate.					Complied																						
4.5.5.3	<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>- Minor compliance -</p>	Water harvesting practices such as side drain and silt pit were sighted in the field.					Complied																						
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value																													

Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.6.1 Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <ul style="list-style-type: none"> a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (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>- Major compliance -</p>	<p>The HCV and biodiversity study for FGVPM Bukit Sagu 7 and FGVPM Bukit Sagu 8 was made on 14/12/2016. The study concluded that, last elephant encroachment was recorded in 2015. Parole records also indicate that no other RTE species was sighted in the estate compound.</p> <p>Relevant action plans had been established and implemented concerning protection of the riparian, such as identification on map and ground, restriction of no chemical’s activities, awareness training to workers and patrolling by Auxiliary Police.</p>	<p>Complied</p>
<p>4.5.6.2 If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> a) Ensuring that any legal requirements relating to the protection of the species are met. b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. <p>- Major compliance -</p>	<p>As per verification, there is no RTE species in the area as per assessment. The monitoring record available for review dated 04/12/2022. The signage discouraging any illegal or inappropriate hunting, fishing or collecting activities available verified during site visit.</p> <p>Relevant programme to workers pertaining awareness of HCV areas and RTE observed conducted. Interview with employees noted that awareness programme had been conducted. Employees were aware of:</p> <ul style="list-style-type: none"> a. Not to capture, harm, kill any wildlife. b. Disciplinary measures shall be taken if found violating company rules. c. Not to chemicals in riparian buffer zone. 	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required. - Major compliance -	The estate observed and implemented the established action plans, including monitoring (patrolling) of the conservation areas by Auxiliary Police. Record of monitoring (patrolling) observed maintained. Observed no monitoring outcomes that requires changed of practices or action plan.	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	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. - Major compliance -	The operating units adhered to the policy of "Zero open burning" for any replanting. From interviews with the workers there is no open burning being practiced in the estates. For replanting land preparation, palms are felled, chipped and windrowed as required in the company's procedure.	Complied
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 -	Not applicable because no evidence of any open burning activities on site.	N/A
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 -	Not applicable because no evidence of any open burning implementation on site.	N/A
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Noted based on the records on the land clearing and felling for the replanting at sampled estates, method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Complied

Criterion / Indicator	Assessment Findings	Compliance	
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has established and documented Sustainability Oil Palm Manual as in the Masterlist (FGV/FGVP/IV/IMS) with title of documents, Document No., Revision Date. Currently available and Maintained list as below categories:</p> <ul style="list-style-type: none"> • Section 1: Nursery Management with 22 SOPs • Section 2: Replanting with 21 SOPs • Section 3: Pre Matured with 13 SOPs • Section 4: Matured with 14 SOPs • Section 5: Maintenance with 9 SOPs 	Complied
4.6.1.2	<p>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.</p> <p>- Major compliance -</p>	<p>FGVPM Bukit Sagu 7 Estate operating in adulating and permitted levels on sloping land, appropriate soil conservation measures implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures were explained in SOP titled Identification of Slope and Riparian Buffer Area (FGV/ML-1A/L2-Pr8) Issue 01, Rev.00 dated 01/06/2016. The estates construct terraces at slope area of more than 6 degrees. Planting of cover crop are made to retain the soil structure and conservation.</p>	Complied
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>As sighted during site visit in FGVPM Bukit Sagu 7 and in FGVPM Bukit Sagu 8, visual identification clearly established at field in Block 8 and 4. Further found Field information as below as identification or reference system.</p>	Complied
Criterion 4.6.2: Economic and financial viability plan			

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	The estate continued to achieve long term economic and financial viability through documented management plan projected to year 2025. A Management Plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2021 to 2025 had been prepared for all the estates as well as the POM and made available to the audit team. This plan had also included mature area and also for the forecasted FFB production per hectare for the period 2021 to 2025.	Complied
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	Both estates have completed their replanting program, thus no more ongoing replanting program.	Complied
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production: cost per tonne of FFB d) Price forecast e) Financial indicators: cost benefit, discounted cash flow, return on investment - Major compliance -	All the estates in the management of Felda Agricultural Services had a standard budgeting format. The records were reviewed during the audit. The Business Plan also included a 5-year budget/forecast financial plan (i.e. 2021-2025) with allocation on the following: a. Crop yielding area / Prime mature b. Total mature / Cost/ha c. General charges/upkeep/collection/depreciation d. CAPEX The estate had a format and guideline to calculate the returns on the field operations i.e. Income = sale of FFB (with award of CPO/CPK from the mill) less the expenditure (fixed and direct cost). This format is sighted.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	Both estate management received visit from Regional Controller and Agronomist who will monitor the cost expenses and GAP application. Besides, the estate manager also will observe and verified the work done on daily basis.	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Pricing mechanism was clearly stated in the agreement. Payments are processed and paid by the estates. Seen the payment vouchers that have been made promptly. Sampled of the Surat Perintah Kerja of contractors as below: <u>FGVPM Bukit Sagu 7 Estate</u> 1. Nalar Gemilang Enterprise, contract number: 5300008558 dated 31/12/2021. Refer invoice number: NG0329 dated 03/03/2022 and Payment was conducted on 08/03/2022. <u>FGVPM Bukit Sagu 8 Estate</u> 1. Mahu Berjaya Enterprise, contract number: 5300005421 dated 28/12/2021. Refer invoice number: 1321 dated 01/12/2022 and Payment was conducted on 05/12/2022.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	The contracts agreements have the details about the pricing and terms & conditions. Payment was made promptly by verified the payment vouchers and interviewed with the contractors. Sample of contract agreement for contractors as per sample in 4.6.3.1.	Complied
Criterion 4.6.4: Contractor			

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Criterion / Indicator		Assessment Findings	Compliance
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Clauses for the contractor to adhere the MSPO and legal requirements are spelled out in Letter dated 13/06/2022. Among details in the letter were: 1. "Telah Dimaklumkan oleh Pihak Pengurusan Ladang tentang Program Pensijilan MSPO/RSPO". 2. "Memahami Keperluan yang terjandung dalam Program Pensijilan MSPO/RSPO". 3. "Sentiasa Mematuhi segala keperluan Pematuhan MSPO". 4. "Membenarkan Auditor dari Badan Pensijilan menyemak dokumen berkaitan, memeriksa operasi dan menemuramah para petugas dan pekerja kontraktor".	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Management has agreement with the contractors. The contract was awarded by Head Quarters and sign by both parties. Sampled of the Surat Perintah Kerja of contractors as below: <u>FGVPM Bukit Sagu 7 Estate</u> 1. Nalar Gemilang Enterprise, contract number: 5300008558 dated 31/12/2021. Refer invoice number: NG0329 dated 03/03/2022 and Payment was conducted on 08/03/2022. <u>FGVPM Bukit Sagu 8 Estate</u> 1. Mahu Berjaya Enterprise, contract number: 5300005421 dated 28/12/2021. Refer invoice number: 1321 dated 01/12/2022 and Payment was conducted on 05/12/2022.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	FGV Holdings Berhad has agreed for BSI auditors to verify the assessment through a physical inspection if required. This stated in the contract agreement between estate management and each contractor.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Clauses for the contractor to adhere the MSPO and legal requirements are spelled out in Letter dated 13/06/2022: "Membenarkan Auditor dari Badan Pensijilan menyemak dokumen berkaitan, memeriksa operasi dan menemuramah para petugas dan pekerja kontraktor".	
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	The estates will key in the Progress of Work done by the contractors into the system and Progress of Work Records will be generated. Work Completion certificate will be acknowledged by the Manager to accept the works done by contractor and payment will be made according to the certificate. Verified the contract payment slip for the payment of works done by contractor.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	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. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.1.2	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. - Major compliance -	There is no development of new planting at both visited estates.	N/A

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There is no development of new planting at both visited estates.	N/A
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.3.2	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. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.3.4	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.	There is no development of new planting at both visited estates.	N/A

Criterion / Indicator		Assessment Findings	Compliance
- Minor compliance -			
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	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 development of new planting at both visited estates.	N/A
4.7.4.2	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 development of new planting at both visited estates.	N/A
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	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 development of new planting at both visited estates.	N/A
4.7.5.2	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 development of new planting at both visited estates.	N/A
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	There is no development of new planting at both visited estates.	N/A

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners’ free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	There is no development of new planting at both visited estates.	N/A
4.7.6.3	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. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.6.4	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. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There is no development of new planting at both visited estates.	N/A

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There is no development of new planting at both visited estates.	N/A
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	There is no development of new planting at both visited estates.	N/A

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

Criterion / Indicator	Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility		
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy		
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	Complied

Criterion / Indicator		Assessment Findings	Compliance
		7.4. Protect high biodiversity value (HBV) and High Conservation Value (HCV) areas 7.5. Limitations on the use of hazardous chemicals and agrochemicals 7.6. No open burning/use of fire 7.7. Water management 7.8. Waste management 7.9. Addressing climate change 8. Monitoring and implementation' 8.1. Transparency and reporting 8.2. Grievances management 8.3. Traceability and supply chain	
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	Sighted under Group Sustainability Policy stated FGV Holdings Berhad is committed to continuously improve its products and services by adopting the best possible approaches to enhance productivity and profitability by optimising resources and operational efficiencies, while minimising negative impacts on people, social and environmental. Policy briefing has been conducted on 08/12/2022.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	FGV Holdings Berhad has established SOP for Internal Audit and documented in Internal Audit Procedure, document no. FGV/GSD-SCCD/SOP/04 Version: 0.0, dated 03/09/2020. As stated in the SOP established, the internal audit was scheduled at minimum of once a year. Latest internal audit was conducted on 22-23/11/2022 by 2 internal auditors from Sustainability Compliance and Certification Department.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	Latest internal audit was conducted on 22-23/11/2022 by 2 internal auditors from Sustainability Compliance and Certification Department. There was 19 NCR raised during the internal audit. Notification of audit has been sent through email. Refer subject "Program Audit Dalam RSPO & MSPO 2022 Kompleks Bukit Sagu. The root cause, correction and corrective action has been recorded and accepted by the internal auditor.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The internal audit report was documented and made available for management review. As evidence, all findings from internal audit were responded by Mill Management within the timeframe stipulated in the Audit Procedure.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	Sighted SOP of Management Review Meeting. Refer SOP: FGV/GSD-SCCD/SOP/06 Ver 0.0 dated 03/09/2020. Management review was conducted at minimum of once a year. Latest management review was conducted in 02/12/2022. Agenda of the meeting as below: 1. Introduction 2. Audit Result 3. Environment 4. Social 5. Management Review 6. Health 7. Safety 8. Continuous Improvement 9. Matters arising	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	Action for Continual Improvement 2022 was established and considering main social and environmental impact and opportunity to improve: <ul style="list-style-type: none"> • Achieve Zero Accident at all Station • Achieve OER >20.75% • Improve quality of Kernel Production • BOD Discharge below 100 	Complied
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Installation of Vorsep at Boiler No. 2 to reduce air pollution. Project from 01/07/2022 to 30/06/2023 for 8 mills under FGVPISB in Malaysia. This equipment will provide superior centrifungal action to separate particulate matter from gas stream via a unique rotating (or swirling) process through helical vanes at entrance of tubes	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. - Major compliance -	Adequate information covering on environmental, social and legal issues which are relevant to stakeholders is shared for effective participation and decision making. Handbook of RSPO Certification for FELDA and FGV were distributed to all the stakeholders. Explanation of RSPO, MSPO, ISCC and all the policies were clearly stated in the handbook. Besides, process of complaints and grievances were included in the handbook. Sampling the records of inspections and visits by the authorities were maintained such as inspection of electricity by competent engineer, DOE visits and DOSH visits.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.1.2	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. - Major compliance -	FGVPISB Bukit Sagu POM holds copies of each of the management documents that are required to be publicly available referred letter 05/12/2020. Besides, all the information such as annual report, sustainability news and policies were found available in the company's website: www.fgvholdings.com	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	FGV Holdings Berhad has developed “Menangani Aduan dan Rungutan” procedure (Doc. No.FGV/ML-1A/L2-Pr13) issue no: 1 dated 01/04/2019) where the procedure has stated the information that provided to the stakeholders such as policies, social impact assessment and environment aspects. Stakeholder meeting has been conducted on 07/12/2022.	Complied
4.2.2.2	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - Minor compliance -	Admin Executive in the mill has been appointed as management official to communicate any social matters in the mill reported by stakeholders. Appointment letter dated 10/01/2021 to Mr Ramzan Dollah by Manager. Refer Letter (32)4046/BS/840A/2.	Complied
4.2.2.3	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - Major compliance -	The stakeholder list was last updated on 14/12/2022 where internal and external stakeholders have been included in the list. Stakeholder meeting has been conducted on 07/12/2022.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability.	A documented Supply Chain Procedure (FGV/GSD-SCCD/SOP/007) Ver.01 dated 07/01/21 established and provide guidance of practices for	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	MSPO supply chain and traceability. The SOP used sets of form to be filled by the estate to trace the origin of the FFB. <ul style="list-style-type: none"> • Labelled for lorry – Lorry no., Estate Name, Mill Name • FFB quality certificated – Field/Blok, Total FFB, Average Bunch Weight, Estimate weigh, date. 	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Monthly declaration for FFB received will be conducted prior to update in MSPO Trace system. Daily Weight Bridge Clerk will check the receiving of FFB in WB system to ensure accuracy of data. Internal audit of Supply Chain was conducted once a year as sampled in Audit Checklist conducted on 15/09/22.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	FGVPISB Bukit Sagu POM has appointed Nadirah Bt. Sujangai (Weight Bridge Assistant) by Hartono b. Hanafi (Mill Manager) as Appointment Letter dated 01/09/2022).	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Sighted record of Monthly Delivery Report for CPO and PK from 01/12/2022-31/12/2022 maintained in summary form. CPO Sold to: <ul style="list-style-type: none"> • FGV Bulkers (Kuantan) Total sold 2,410.67 MT • FGV Bulkers (POD PG) Total sold 127.57 MT • FGV Bulkers (Langsat Port) Total sold 42.00 MT • FGV Kuantan Oil Products (KOP) Total sold 1,223.93 MT • Total Sold in December: 3,804.17 MT Report Prepared by: Mohamad Zaidi b. Othman Approved by: Hartono b. Hanafi PK Sold to:	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • FGV Kernel (Semambu) Total sold 882.25 MT • Kilang Sawit Neram, Total sold 33.40 MT • Kilang Sawit Jerangau Barat, Total sold 46.31 MT • Kilang Sawit Kerteh, Total sold 46.95 MT • Kilang Sawit Cini, 103.22 MT • Total sold in December 2022: 1,112.13 MT <p>Report Prepared by: Mohamad Zaidi b. Othman Approved by: Hartono b. Hanafi</p>	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>The FGV PISB Bukit Sagu POM continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and sustainability team. Among the evidence of compliance verified are as follows:</p> <ol style="list-style-type: none"> 1. MPOB Licence #500202104000 valid from 01/04/2022 to 31/03/2023 2. DOE Licence #004129 valid from 01/07/2022 to 30/06/2023 3. Electricity Licence #53484 valid from 24/02/2022 to 23/02/2023 4. Diesel permit #PHG/PD/K/37/08 valid from 21/03/2021 to 08/03/2024 5. Weighbridge #DE18005471 inspected on 24/03/2022 6. Weighbridge #DE18001905 inspected on 08/06/2022 	Major Non-Conformities

Criterion / Indicator		Assessment Findings	Compliance
		<p>7. Competence Person CePSWaM to Assistant Engineer with NRIC: 890901-XX-XXXX with reference number CePSWaM/02370 dated 23/01/2019.</p> <p>The operation of Fume Hood and rental Genset found non-compliance to applicable subsidiary legal requirements under Environmental Quality Act 1974. Based on site visit and document verification, it was found that One unit of rental genset with capacity of 350 kVA using diesel fuel was not provided with Written Notification to DOE under Regulation 5 of Environmental Quality (Clean Air) Regulations 2014 as required. Thus, Major NC was raised.</p>	
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Applicable legal requirements listed as Register of Laws and List of Relevant Act, Laws and Regulations; as per sample sighted: - Register of Legal and Other Requirements. 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.</p>	Complied
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>Legal register has been updated latest on 25/11/2022 where there is new legal requirement has been added. Among sample of law and regulations as below:</p> <ol style="list-style-type: none"> 1. OSHA 1994 2. Pesticides Act 1974 and Regulations, 3. Environmental Quality Act and Regulations 1974 4. Factories and Machinery Act and Regulations, 1967 5. Weights and Measures Regulations 1981 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		6. Electricity Regulations 1994 7. Immigration Act 1959 8. Employee Provident Fund 1991 9. Minimum Wages Order 2022 10. Peraturan – Peraturan Perkhidmatan BOMBA (Amendment) 2022	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. - Minor compliance -	FGVPIB Bukit Sagu POM has appointed Mdm Nor Hamizah Saharudin as the PIC responsible for Legal and Other Requirements. Sighted the appointment letter undersigned by the Mill Manager dated 01/10/2022.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	Interviewed with Mill staff responded that oil palm milling activities do not diminish the land use rights of other users and neighboring estates.	Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - Major compliance -	FGVPIB Bukit Sagu POM currently operating on the land in Mukim Hulu Kuantan under Ownership No. H.S.(D): 17995 at Lot PT 1129 with size of 7.814 Ha (66 years lease ended 28/06/2064)	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	FGVPIB Bukit Sagu POM has maintained a fencing surrounding the mill and marking with pole no 1-20. Available photos showing locations of boundary marking and verified during site visit.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall	No land disputes as current mill is surrounding by FGVPM Estates. No land disputes or conflict with others and FGVPM Estates as verified.	N/A

Criterion / Indicator		Assessment Findings	Compliance
	made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -		
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The mill land is legally owned by Felda Palm Industries Sdn Bhd as verified the land title record. The existing land is not encumbered by any customary land rights.	N/A
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	The mill land is legally owned by Felda Palm Industries Sdn Bhd as verified the land title record. The existing land is not encumbered by any customary land rights.	N/A
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	The mill land is legally owned by Felda Palm Industries Sdn Bhd as verified the land title record. The existing land is not encumbered by any customary land rights.	N/A
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	SIA was conducted on September 2022 by Sustainability Compliance and Certification Department, Group Sustainability Division, FGV Holdings Bhd for Kompleks Bukit Sagu. Internal and external stakeholders were involved during the assessment. SIA Management Plan has been established dated January 2022. Among objective to achieve were: 1. Communication with all relevant stakeholders and gain feedback to ensure the Mill operation does not affect the community daily life.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ol style="list-style-type: none"> 2. Ensure the Union was free from any involvement of management for voice out any problem related to the workers 3. Inspection of workplace and ensure all workers were provided with completed PPE 4. Enforcement on Safety and health matters in daily operation 5. Continuous monitoring on Effluent discharge and ensure it follow the Jadual Pematuhan 	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed procedure of dealing with complaint and grievances. Refer SOP: FGV/ML-1A/L2-Pr13 Issue No. 2 Rev. 02 dated 01/04/2019. The objectives of the procedure are to provide a channel for the internal stakeholders and external stakeholders to lodge any complains to the management. Mechanism to handle complaints was clearly described in the procedure. The time frame for investigation of the issue should be done within 14 working days. Refer Section 9 Carta Alir Proses Aduan.</p>	Complied
4.4.2.2	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p>- Major compliance -</p>	<p>FGVPISB Bukit Sagu POM has implemented Complaint and Response Form/ Book to record complaints or requests from the stakeholders. Most of the complaints were about defects of housing facilities. Based on the records of complaints lodged, the actions taken by the management were appropriate and timely manner. Sample s below:</p> <ol style="list-style-type: none"> 1. Complainant: Mr Ramdan, Issue: TNB Pole broken dated 29/03/2022. Issue has been solved on 29/03/2022 (Report to TNB). 2. Complainant: Mdm Roziana, Issue: Request for oled tree removal at Community Hall dated 11/08/2022. Issue has been solved on 15/08/2022 	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	The complaint record book was available in the office area where the stakeholders can easily access to lodge their complaint.	Complied
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - Minor compliance -	From the interview with internal and external stakeholder during stakeholder consultation found that they were aware of the complaint procedure and were briefed by the management during stakeholder meeting. The record of complaint record was as available in Mill record.	Complied
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	The records of complaint for the past 24 months (Since January 2020) were available in the complaint's records book.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	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. - Minor compliance -	FGVPISB Bukit Sagu POM has contribute to local communities. Sighted record of CSR activities for the year of 2022: 1. Donation of Fertile soil to SMK Bukit Sagu dated 04/11/2022 2. Donation for workers on Hari Raya Festival on April 2022	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	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.	OSH Policy for FGV Holdings Berhad (FGV/GHR/HSEQ/POL/001) Rev. 5.0 signed and approved by Group CEO (Mohd Nazrul Izam Mansor) dated 05/11/21 with commitment to comply with relevant OSH legal	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>requirements, continual improvement to enhance OSH performance, manage OSH and eliminate incidents, accident and etc.</p> <p>OSH Plan Year 2022 established with programmes such as:</p> <ul style="list-style-type: none"> • Medical surveillance (Jan) • PPE Training (Feb) • Fire Drill (May) • RSPO/MSPO Training (May) • Safety and Health Campaign (Feb) • 1st Aid Training (Jun) 	
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risk of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:</p> <ol style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; <p>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</p>	<p>a) OSH Policy for FGV Holdings Berhad (FGV/GHR/HSEQ/POL/001) Rev. 5.0 signed and approved by Group CEO (Mohd Nazrul Izam Mansor) dated 05/11/21. Sighted communicated and displayed at office entrance and mill operation area (notice board).</p> <p>b) HIRARC was conducted and updated on 29/12/2022 covering 50 activities such as Store Shredded, grass cutting, workshop, Boiler, Office and etc prepared by Muhammad Khuzaini b. Hamdan (Asst Manager) and approved by Hartono b. Hanafi (Mill Manager). The score with LOW risk found included with new control measure as it considered acceptable risk and in the future review it will be classified as current risk control. Vorsep at Boiler No. 2 to reduce air pollution currently under installation and commissioning to include in HIRARC. Chemical exposure Monitoring was conducted for N-Hexane by HT (Fera Shima A. Aziz-HQ/15/JHI/00/208) on 25/07/18. Current control measure found adequate to control exposure to N-Hexane as result status. CHRA was conducted by Assessor Ihsan Sharif (JKKP HIE 127/171-2(85)). CHRA Report done in July 2018. Medical Surveillance was conducted on 20/01/2022 by Dr Ahmad</p>	OFI

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<p>Hazard Identification, Risk 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 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 shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept 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>- Major compliance -</p>	<p>Ikhwan Shah (JKKP HQ/12/DOC/000/258) for 5 workers exposed to N-Hexane. Exposure not detected as result mentioned. Noise Risk Assessment was conducted Muhammad Hafiz Hassan (HQ/18/PEB/00/00021) on 25/07/2022. Site visit: Sighted compressed tanks (Acetylene, Oxygen) were not chained and kept safe in various location in Workshop. This included those compressed tank belongs to contractor at Vorsep Project area. Immediate action done to rectify the issues and corrective action included communicating to relevant contractor evident.</p> <p>c) Awareness training for Safe Handling of Chemicals was conducted on 22/03/2022 and attended by 9 workers.</p> <p>d) Sampled PPE SOP (FPI-PK-037) dated 14/05/22 where requirement of PPE stated as guidance.</p> <p>e) FGV Holdings Berhad has established SOP for Chemical Handling and documented in the Safety Operating Procedure, Chemical Handling. Refer doc no. FPI-PK-036, issue no. 3 dated 14/07/2010.</p> <p>f) Available SHC Organization Chart where Chairman is Hartono b. Hanafi (Mill Manager), Secretary is Muhammad Huzaini Hamdan (Asst Manager) assisted by Mustafa Saifudeen Abdul Walid (Asst Manager) with Appointment Letter dated 01/10/2022 and Nor Hamizah (Asst Executive) with Appointment letter dated 15/10/2022. 7 Employer Representatives and 7 Employee Representatives.</p> <p>g) Regular meeting conducted quarterly was held by SHC as minutes dated 08/12/2022, 28/09/2022, 29/06/2022, 30/03/2022.</p> <p>h) FGV Palm Industries Sdn Bhd has established, and documented ERP Management Procedure (FPI-PK-101) Issued 01/12/2022. The existing SOP FGV Palm Industries Sdn Bhd has established, and</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>documented ERP Management Procedure (FPI-PK-101) Issued 01/12/2022 to be further enhanced by considering other types of sustainability emergency condition such as chemicals spillages, flood, explosion, pond bunding collapsed. NADOPOD Management Procedure (FPI-PK-102) Issued 01/12/2022 to be further enhanced action to submitting JKPP 8 once a year before 31/01 every year as better guidance for user Thus, OFI was raised.</p> <p>i) Available trained First Aider as evidence from training record as 1st Aider Refresher Training was conducted on 14-15/02/2022 at Sri Manja Boutique Hotel and attended by Mihd Rapidi (Chargeman) & Mohd Khairul Farid (Fitter).</p> <p>j) 2 Cases of accident involving Amirul Rafidi (17/08/2021) JKPP 6 was raised (24 days MC) and sent to DOSH accordingly and Helmi Razak (30/09/2021) JKPP 6 was raised and sent to DOSH (7 days MC).</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<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>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.0 (B). Respecting Human Right. FGV is committed and support human rights. Communication to the employees was done in various methods such as briefing during morning muster, display on notice boards at workers' hostel and training. Interview with workers showed that they have a good understanding on human rights.</p>	Complied
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion,</p>	<p>FGV Holdings Berhad has established Equal Opportunity Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.1 Equality and Non-Discrimination. The</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	nationality, social origin or any other distinguishing characteristics. - Major compliance -	company is committed to ensure all the employees are treated equally regardless of race, nationality religion, gender, age and other political opinions. Interview with the workers showed that no discrimination is being practiced.	
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	<p>FGV Holdings Berhad has established an employment contract for workers. Pay and conditions are documented and are above the Minimum Wage Order 2022. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker.</p> <p>Based on the document verification confirmed that the workers were paid in accordance with Minimum Wage Order 2022.</p> <p>Sample contract agreement and payslip month of Aug 2022, Oct 2022 and Dec 2022 as below:</p> <ol style="list-style-type: none"> 1. Employee ID: 1210403 2. Employee ID: 1210422 3. Employee ID: 1208256 4. Employee ID: 1211655 5. Employee ID: 1212759 6. Employee ID: 1212760 7. Employee ID: 1213587 8. Employee ID: 1213580 	Complied
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance -	There was no permanent contractor engaged by the mill. FFB transport were conducted by parent company which is FGV Transport. For maintenance work, contract will be awarded by HQ level and all documents related to workers has been verified there. Contractors will	Complied

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		be required to show necessary documents for example Permit To Work (PTW) when enter to the mill.	
4.4.5.5	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. - Major compliance -	All the recruited workers will be registered in the Human Resource Management System (HRMS) where personal details such as name, nationality, date of employed, job description, wage rate, date of birth, gender and entitlement of public holiday was stated in the biodata form.	Complied
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	The record Offer letters were issued, and acceptance of offer were acknowledged, and copies were kept by the workers. This has been verified through interview with workers. The terms and conditions such as salary, termination of employment, annual leave entitlement and probation period were clearly stated in the Contract Agreement. Sample contract agreement and payslip month of Aug 2022, Oct 2022, and Dec 2022 as below: 1. Employee ID: 1210403 2. Employee ID: 1210422 3. Employee ID: 1208256 4. Employee ID: 1211655 5. Employee ID: 1212759 6. Employee ID: 1212760 7. Employee ID: 1213587 8. Employee ID: 1213580	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p> <p>- Major compliance -</p>	<p>The working hours are recorded using punch card system where the attendance can be verified through the punch card of individual workers. The time enter, break time and exit of work were also clearly stated in the punch card.</p> <p>Sample contract agreement and payslip month of Aug 2022, Oct 2022, and Dec 2022 as below:</p> <ol style="list-style-type: none"> 1. Employee ID: 1210403 2. Employee ID: 1210422 3. Employee ID: 1208256 4. Employee ID: 1211655 5. Employee ID: 1212759 6. Employee ID: 1212760 7. Employee ID: 1213587 8. Employee ID: 1213580 	Complied
4.4.5.8	<p>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.</p> <p>- Major compliance -</p>	<p>Based on the records review of the Punch card of sampled workers it was found that the entry time and exit time which were clearly stated in the punch card, conformed to the terms and conditions stipulated in the collective agreement. Refer Perjanjian Bersama antara FGV Palm Industries Sdn Bhd dengan Kesatuan Pekerja-pekerja FGV Palm Industries Sdn Bhd Semenanjung.</p>	Complied
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Documented payslip was distributed to individual workers on the day of payment. Wages and overtime were paid according to the "Punch Card". Total hours of overtime and daily attendance has recorded in the timecard.</p> <p>Sample contract agreement and payslip month of Aug 2022, Oct 2022 and Dec 2022 as below:</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ol style="list-style-type: none"> 1. Employee ID: 1210403 2. Employee ID: 1210422 3. Employee ID: 1208256 4. Employee ID: 1211655 5. Employee ID: 1212759 6. Employee ID: 1212760 7. Employee ID: 1213587 8. Employee ID: 1213580 	
4.4.5.10	<p>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.</p> <p>- Minor compliance -</p>	<p>The management has provided facilities such as mosque, recreational facilities such as futsal field, badminton court and volleyball court to the workers and dependents. Government clinic was available in the complex. The workers will be granted bonus once a year based on performance of the workers. Incentive and allowance were given to the workers as well.</p>	Complied
4.4.5.11	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.</p> <p>- Major compliance -</p>	<p>The mill workers housing is provided with basic facilities such as government clinic, football field, mosque, sundry shops and other amenities such as electricity and water supply from government. Line site inspection was carried out in FGV PISB Bukit Sagu POM workers housing. Refer Rekod Pemantauan Perumahan dated January 2023.</p>	Complied
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>FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.5 Preventing Harassment and Abuse. The company is committed to protect the rights of women on the reproductive and family planning. Gender Committee was developed to provide a system to channel the complaint regarding sexual harassment</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		and violence. The last meeting was conducted on 29/10/2022. There was no issue regarding sexual harassment and violence reported.	
4.4.5.13	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. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard. The company allows the employees to join any legal association and get approval from the management. Workers' Committee Kesatuan Pekerja-Pekerja Felda Palm Industries Sdn Bhd was established to discuss issues among the workers. Meeting minutes dated 24/06/2022 was sighted. No issue was raised.	Complied
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard where the company will not recruit any individual who less than 18 years old to work in plantations. Document reviewed on the list of workers confirmed that all the employees were above 18 years old.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	Sighted Annual Training Plan for Year 2022 involving staff and contractor. Among records of training conducted and maintained included: <ul style="list-style-type: none"> • 1st Aider Refresher Training was conducted on 14-15/02/2022 at Sri Manja Boutique Hotel and attended by Mihd Rapidi (Chargeman) & Mohd Khairul Farid (Fitter) 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Safety and health Campaign was conducted on 11/02/2022 attended by 28 workers. • Briefing on GSP 4.0 was conducted on 11/02/2022 and attended by 44 workers. • Safe Handling of Chemicals Training was conducted on 22/03/2022 and attended by 9 workers. • FFB Quality Training was conducted on 17/06/2022 attended by 12 workers. • RSPO, MSPO, Safety and Ethical Briefing was conducted on 01/07/2022 and attended by 12 workers. • Handling Fire Incident Training was conducted on 14/07/2022 and attended by Shift B workers. • Cake Breaker Conveyor Operation Training was conducted on 27/08/2022 and attended by Shift B Workers. • MSPO, RSPO, SCCS Training was conducted on 07/12/2022 and attended by 11 workers. • Briefing on Sustainability Policy (GSP 4.0) was conducted on 08/12/22 and attended by 5 contractors and vendors. • Stakeholder Briefing on GSP 4.0 was conducted on 01/12/2022 and attended by 23 Stakeholders. • HIRADC Briefing was conducted on 31/12/2022 and attended by 40 workers. 	
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.	Training Needs Analysis established and documented for Year 2022 covering matrix between Mill Manager, Assistant Managers, Supervisors, Clerk, Lab Assistant, Boileman, Foreman, Contractor, Mechanical, Electrical and etc. Training needed such as:	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> • Core Training Matrix Analysis (OSHA 1994, HIRADC, NADOOPOD 2004, SHC 1997, OHSAS Awareness, Hearing Conservation Programme, Chemical Safety Management) • Non-Core - Theoretical Training (PPE Management, 5'S, Healthier foods, Incident investigation, ERP, Safety Policy, SDS, Scheduled Waste Management, Office Safety, Welding Safety, SOP). • Non-core - Theoretical & Hands on Training (1st Aid & CPR, Fire Extinction, Motorcycle Saefy, Confined Space, Working at Height, Prime mover safety, General Saefy Driving). 	
4.4.6.3	<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>- Minor compliance -</p>	<p>Continuous training was conducted to provide the specific skill and competency required to all employees based on their job description as in the TNA.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<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>- Major compliance -</p>	<p>FGV Holdings Berhad have implemented an Environmental Policy Statement undersigned by the Group CEO on 18/03/2022. (Doc Number: FGV/HSE/POL/002). The policy has been communicated to all workers, staffs and stakeholders during morning muster and regular meetings conducted.</p> <p>The group company had established environmental plan based on the environmental aspect & impact assessment, guided by the "Laporan Aspek Impak Alam Sekitar Melalui Aktiviti Perladangan, Bahan Buangan dan Pencemaran", doc no: 1/2012, type of doc: RSPO2010(Kriteria</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance									
		5.1/5.3/5.6), effective date on 01/02/2019. Among the plan developed are as follow: a. GHG Monitoring & Pollution Reduction Plan. b. Diesel Pollution Plan. c. Solid and Domestic Waste Management Plan. d. Water Management Plan. e. HCV Management Plan.										
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations - Major compliance -	The FGV PISB Bukit Sagu POM management has conducted environmental aspect and impact assessment for all its' activities. The environmental impact assessment was guided by its Environmental Aspect and Impact Evaluation procedure. The identification of Environmental Aspects and Evaluation of Significance Form was used to identify and evaluate the environmental aspect and impact. Identification of impact and scoring is based on Manual Procedure (FPI/L2/QOHSE-1.0) Hazard Identification, Risk Assessment, Determining Control and Environmental Aspects. Based on the scoring matrix form, the result will determine the risk level. The details of the risk level are elaborate further in the table below; <table border="1" data-bbox="1025 1093 1865 1262"> <tr> <td>Risk Level</td> <td>Stage 1 (significant)</td> <td>Stage 2 (Not Significant).</td> </tr> <tr> <td>Scoring</td> <td>2 and above</td> <td>24 and below</td> </tr> <tr> <td>Action</td> <td>Need to provide the objective and management plan.</td> <td>Reduce the contamination and set the control measure.</td> </tr> </table>	Risk Level	Stage 1 (significant)	Stage 2 (Not Significant).	Scoring	2 and above	24 and below	Action	Need to provide the objective and management plan.	Reduce the contamination and set the control measure.	Complied
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Action	Need to provide the objective and management plan.	Reduce the contamination and set the control measure.										
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.	Sighted the environment management plan for the year 2023 developed to mitigate the negative impacts and to promote the positive one and	Complied									

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Criterion / Indicator		Assessment Findings	Compliance						
	- Major compliance -	<p>effectively implemented. Sample activity for environment management as below:</p> <table border="1"> <thead> <tr> <th>Activity/Station</th> <th>Impact</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>Oil Room</td> <td>Sludge spillage Oil spillage.</td> <td>To closely monitor any incident, happen within the area.</td> </tr> </tbody> </table> <p>Used rags were stored in scheduled waste store disposed to licensed contractor. Latest disposal was made on 16/12/2022 (SW409 – 0.421 Mt, SW410 – 0.005 Mt), consignment note 2022121611TJKNRO.</p>	Activity/Station	Impact	Action Plan	Oil Room	Sludge spillage Oil spillage.	To closely monitor any incident, happen within the area.	
Activity/Station	Impact	Action Plan							
Oil Room	Sludge spillage Oil spillage.	To closely monitor any incident, happen within the area.							
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>The program to promote activities with positive impacts was included in the continual improvement plan. The reviewed Environmental Management Plan had considered the mitigation of negative impacts and the promotion of positive ones and translated them into Palm Oil Mill programs.</p>	Complied						
4.5.1.5	<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>- Major compliance -</p>	<p>Awareness and training programs were regularly conducted by the mill management to all employees from time to time during routine workers assembly. Among the trainings conducted were;</p> <ol style="list-style-type: none"> 1) HCV briefing was conducted on 17/12/2022. 2) RSPO/MSPO briefing was conducted on 15/12/2022. 3) Scheduled waste handling management, conducted on 13/09/2022. 	Complied						
4.5.1.6	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>Regular meeting regarding on the environment issue had been exercised and latest meeting was hold on 12/12/2022, chaired by the mill manager and attended by 14 personnel. Among the agenda discussed during the meeting were arising matter, accident report, training report, workplace inspection, environment issues and others.</p>	Complied						
<p>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</p>									

Criterion / Indicator		Assessment Findings	Compliance																								
4.5.2.1	<p>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</p> <p>- Major compliance -</p>	<p>Consumption of non-renewable energy was closely monitored by the mill team. Sighted the diesel and electric used as follow:</p> <table border="1"> <thead> <tr> <th></th> <th>2020</th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>FFB (Mt)</td> <td>224480</td> <td>219030</td> <td>211670</td> </tr> <tr> <td>kWh</td> <td>31135</td> <td>17035</td> <td>76308</td> </tr> <tr> <td>Diesel (l)</td> <td>294440</td> <td>277764</td> <td>266950</td> </tr> <tr> <td>kWh/FFB</td> <td>0.1387</td> <td>0.0777</td> <td>0.3605</td> </tr> <tr> <td>Diesel/FFB</td> <td>1.31</td> <td>1.27</td> <td>1.26</td> </tr> </tbody> </table> <p>Data is being compiled for comparison and control for future improvement. Monitoring is made using diesel/Mt FFB, commentary on variance on irregularities variances.</p>		2020	2021	2022	FFB (Mt)	224480	219030	211670	kWh	31135	17035	76308	Diesel (l)	294440	277764	266950	kWh/FFB	0.1387	0.0777	0.3605	Diesel/FFB	1.31	1.27	1.26	Complied
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4.5.2.2	<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>- Major compliance -</p>	<p>The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective mill yearly budgets.</p> <p>The mill estimated diesel consumption for year 2023 at 174,040 litres.</p>	Complied																								
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>The fibre and shell are used in the boiler for fuel recycled in the process system. Surplus quantity of shell/fibre are delivered to estates for multi purposes or sold to outside buyers. EFB is used in the estates for mulching.</p>	Complied																								
Criterion 4.5.3: Waste management and disposal																											
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>FGVPISB Bukit Sagu POM had identified all wastes and sources of pollution. The Waste Management Action Plan 2021 were established to mitigate and control the identified wastes and source of pollution.</p>	Complied																								

Criterion / Indicator		Assessment Findings	Compliance																											
		<p>All waste and pollution are identified and documented in the Waste Management Plan and Pollution Prevention Plan Financial Year 2023 reviewed annually.</p> <p>The waste generated from the mill/estates operations as shown below:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Type</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Scheduled waste</td> <td>Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries.</td> </tr> <tr> <td>2</td> <td>Domestic waste</td> <td>Rubbish from the mill compound and employee's quarters.</td> </tr> <tr> <td>3</td> <td>Industrial waste</td> <td>Filter, palm kernel shell, boiler ash, scrap iron.</td> </tr> <tr> <td>4</td> <td>Sewage</td> <td>Sewage from housing complex.</td> </tr> </tbody> </table> <p>The pollution identified from the mill/estate activities:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Type</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Black smoke</td> <td>Emission from boiler, vehicles and engines.</td> </tr> <tr> <td>2</td> <td>Odor & gases</td> <td>Activities from the effluent treatment</td> </tr> <tr> <td>3</td> <td>Leakage of lubricants.</td> <td>Storage & vehicle maintenance.</td> </tr> </tbody> </table>	No	Type	Details	1	Scheduled waste	Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries.	2	Domestic waste	Rubbish from the mill compound and employee's quarters.	3	Industrial waste	Filter, palm kernel shell, boiler ash, scrap iron.	4	Sewage	Sewage from housing complex.	No	Type	Details	1	Black smoke	Emission from boiler, vehicles and engines.	2	Odor & gases	Activities from the effluent treatment	3	Leakage of lubricants.	Storage & vehicle maintenance.	
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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 mill has established and documented Landfill and Domestic waste management for Estate and Mill. Management plan was done based on the type of waste identified in the List of Waste Identified. The plan was reviewed on annually basis. The plan stated the Issue identified, management action, period of monitoring and person responsible.</p> <p>The common significant environmental receptors for the estates and mill operations among others as summarized below;</p> <table border="1"> <thead> <tr> <th>No</th> <th>Receptor</th> <th>Sources</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	No	Receptor	Sources				Complied																					
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Criterion / Indicator		Assessment Findings			Compliance
		1	Air	Sources from boiler stack, vehicle, generator set, anaerobic processes, EFB dumping, GHG	
		2	Water	Clearing water/run off/process station water & boiler, quenching water and blow down.	
		3	Land	Scheduled waste, domestic waste and industrial process waste.	
4.5.3.3	The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005 - Major compliance -	Standard operating procedure for handling schedule waste has been documented in the document title "Pengurusan Bahan Buangan" doc no FPI/L2/QOHSE-9.0. In the procedure has outline the process out schedule waste disposal. Schedule waste generated was recorded in "Rekod Buangan Terjadual" logbook and maintain by the mill staff. The mill disposed SW to Pentas Flora (Kuantan) Sdn Bhd. Latest disposal was made on 16/12/2022 (SW409 – 0.421 Mt, SW410 – 0.005 Mt), consignment note 2022121611TJKNRO.			Complied
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Domestic waste managed by contractor hired. It was disposed at the government bin. Sighted record of rubbish collection at 3 times per week.			Complied
Criterion 4.5.4: Reduction of pollution and emission					
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	An assessment for all polluting activities were done and available in the Pollution and Emission Management Plan. Verified the Stack Emission Assessment done at the boiler with the report details available as below: Air Emission Monitoring Report (Stack Emission) Boiler No 1 <ul style="list-style-type: none"> Report Ref. No: STK/BSAGU/22/002 			Complied

Criterion / Indicator		Assessment Findings	Compliance															
		<ul style="list-style-type: none"> Date of Monitoring: 20/10/2022 Particulate Matter: (Limit 150 mg/m3), Results: (154.8 mg/m3) <p>The emission of all parameters tested were compiled with their respective limits as stipulated in Environmental Quality (Clean Air) Regulations 2014.</p>																
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>The action plan to reduce the pollution is tabled below:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Issues</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Boiler- Black smoke</td> <td>To monitor the condition of dust cyclone every 3 months To carry out boiler furnace cleaning every week</td> </tr> <tr> <td>2</td> <td>Effluent- Odour & gases</td> <td>To maintain proper feeding into digestion process of effluent to prevent severe and unpleasant odour</td> </tr> <tr> <td>3</td> <td>Vehicles/ Lorries/ Leakage of lubricant/ diesel</td> <td>Ensure maintenance schedule to be strictly followed To place all lubricant oil drum on metal trays. Vehicles awaiting entry into the mill to be switched off</td> </tr> <tr> <td>4</td> <td>Domestic waste – odour and environmental pollution</td> <td>Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.</td> </tr> </tbody> </table> <p>All efforts and action plan for the identified pollutants and emission above at current is adequate to comply with the requirement. All identified issues have significant impacts to the environment.</p>	No	Issues	Action Plan	1	Boiler- Black smoke	To monitor the condition of dust cyclone every 3 months To carry out boiler furnace cleaning every week	2	Effluent- Odour & gases	To maintain proper feeding into digestion process of effluent to prevent severe and unpleasant odour	3	Vehicles/ Lorries/ Leakage of lubricant/ diesel	Ensure maintenance schedule to be strictly followed To place all lubricant oil drum on metal trays. Vehicles awaiting entry into the mill to be switched off	4	Domestic waste – odour and environmental pollution	Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.	Complied
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4.5.4.3	<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>- Major compliance -</p>	<p>The POME is treated with open anaerobic, aerobic and stabilization lagoon. Monthly monitoring on the final discharge is conducted. The effluent at the final discharge is tested to ensure it compliance to the DOE License discharge limits. Details on the analysis is explained under indicator 4.5.5.2.</p> <p>Result at the final discharged is according to Environment Quality Act 197 and compliance with the Compliance Schedule issued by Department of Environmental.</p>	Complied																																																
Criterion 4.5.5: Natural water resources																																																			
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> a) Assessment of water usage and sources. b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities. c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). <p>- Major compliance -</p>	<p>The mill had developed Water Management Plan updated on 22/11/2022. Water supply for mill comes from Sungai Reman. Assessment on water usage and monitoring of outgoing water were closely monitored by the mill team.</p> <ul style="list-style-type: none"> a. Water supply for mill daily operation comes from water treatment plant, which extract water from Sungai Reman. As of 2022, the mill had used 417,149 m3 of water. b. Monitoring on outgoing water which may have negative impacts into the natural waterways is conducted on monthly basis. <table border="1"> <thead> <tr> <th></th> <th></th> <th colspan="2">November</th> <th colspan="2">October</th> </tr> <tr> <th>Parameter</th> <th>Limit</th> <th>Inlet</th> <th>Outlet</th> <th>Inlet</th> <th>Outlet</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>5 – 9</td> <td>7.87</td> <td>7.43</td> <td>7.84</td> <td>7.87</td> </tr> <tr> <td>BOD</td> <td><100</td> <td>3</td> <td>9</td> <td>4</td> <td>8</td> </tr> <tr> <td>COD</td> <td><1000</td> <td>24</td> <td>60</td> <td>41</td> <td>69</td> </tr> <tr> <td>Total Solid</td> <td><4000</td> <td>84</td> <td>102</td> <td>143</td> <td>184</td> </tr> <tr> <td>S. Solid</td> <td><150</td> <td>15</td> <td>55</td> <td>15</td> <td>103</td> </tr> <tr> <td>Oil & Gris</td> <td><50</td> <td>18</td> <td>8</td> <td>2</td> <td>2</td> </tr> </tbody> </table>			November		October		Parameter	Limit	Inlet	Outlet	Inlet	Outlet	pH	5 – 9	7.87	7.43	7.84	7.87	BOD	<100	3	9	4	8	COD	<1000	24	60	41	69	Total Solid	<4000	84	102	143	184	S. Solid	<150	15	55	15	103	Oil & Gris	<50	18	8	2	2	Complied
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		AN	<150	1	1	1	1	
		TN	<200	3	3	3	2	
		Mill reused the water from their daily operation to reduce wastages.						
4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. - Major compliance -	The POME is discharged to Sungai Reman. The report of POME analysis was submitted to DOE on quarterly basis. Sighted the results as follow:					Complied	
		Parameter	Limit	October	November	December		
		pH	5 – 9	8.46	8.45	8.53		
		BOD	<100	73	55	69		
		COD	<1000	540	303	337		
		Total Solid	<4000	2854	1738	1888		
		S. Solid	<150	2253	116	124		
		Oil & Gris	<50	4	8	7		
		AN	<150	44	47	41		
		TN	<200	58	59	56		
		Result at the final discharged is according to Environment Quality Act 197 and compliance with the Compliance Schedule issued by Department of Environmental.						
4.6 Principle 6: Best Practices								
Criterion 4.6.1: Mill Management								
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	FGV Palm Industries Sdn. Bhd. Bukit Sagu POM established and documented Mill Operation Manual as reference to Master List dated 29/05/2019 about 142 SOPs currently implemented. Among Others included: • Security					Complied	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Weight Bridge • Grading FFB • Conveyor Operation • Sterillizer • EFB Hooper • Boiler Operation • Sludge Tank • Loading of CPO to Lorry • Loading of PK to Lorry • POME • Water Treatment Plant and etc. 	
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The practices consistently monitored by mill advisors and recommendations for improvements are given to maintain the sustainable practices. Mill advisor, Operation Technical Officer, Regional General Manager visits the operating units to ensure implementations of procedures are consistent.	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	The annual business plan 2021-2025 is available. The document is in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan contains FFB processed, production of CPO & CPK. The Component of operating expenditure among others includes; <ol style="list-style-type: none"> a. Process labour b. Maintenance external & maintenance parts, 	Complied

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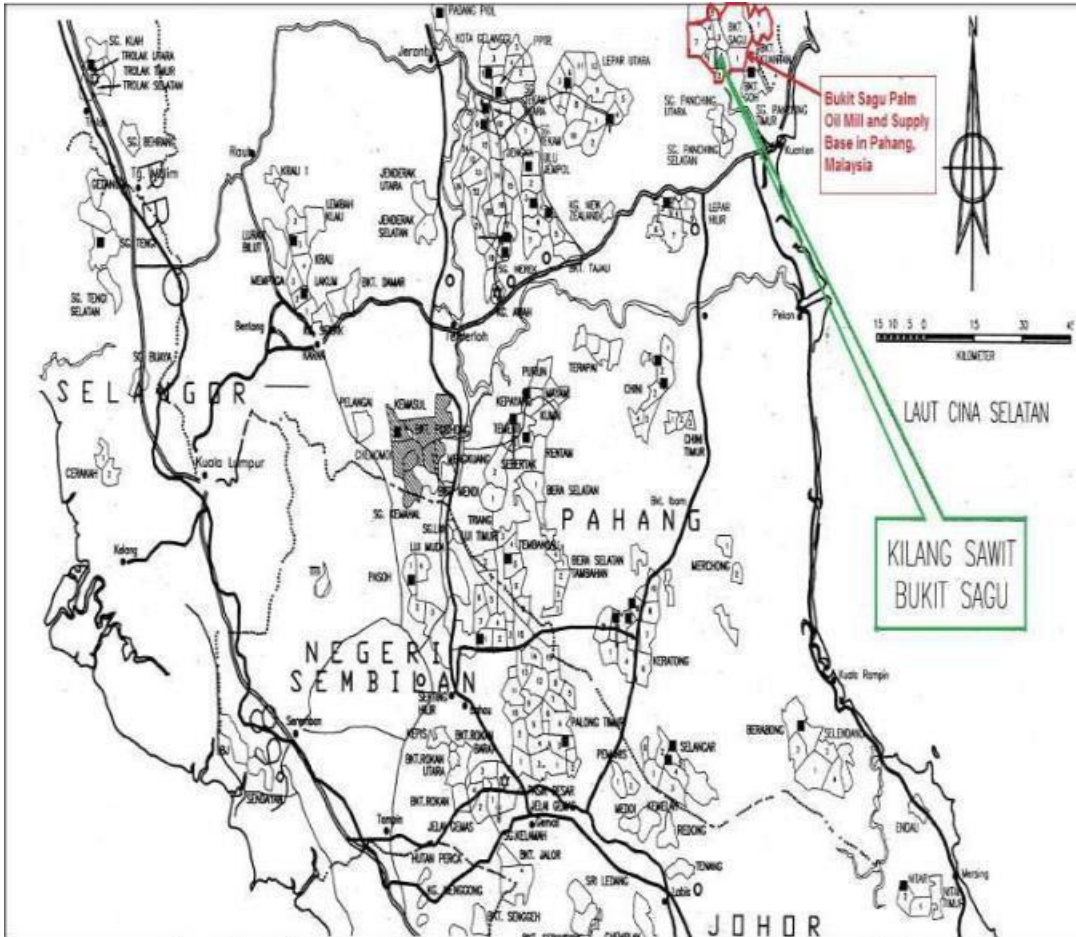
Criterion / Indicator		Assessment Findings	Compliance																														
		c. Consumable, EVIT, d. Admin cost e. Labour overhead <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Item</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>FFB (Mt)</td> <td>248360</td> <td>235000</td> <td>243500</td> <td>260200</td> <td>270700</td> </tr> <tr> <td>OER (%)</td> <td>20.6</td> <td>20.75</td> <td>20.90</td> <td>21</td> <td>21</td> </tr> <tr> <td>KER (%)</td> <td>5.0</td> <td>5.0</td> <td>5.1</td> <td>5.1</td> <td>5.15</td> </tr> <tr> <td>RM/Mt</td> <td>39.38</td> <td>44.10</td> <td>45</td> <td>45</td> <td>44.50</td> </tr> </tbody> </table>	Item	2021	2022	2023	2024	2025	FFB (Mt)	248360	235000	243500	260200	270700	OER (%)	20.6	20.75	20.90	21	21	KER (%)	5.0	5.0	5.1	5.1	5.15	RM/Mt	39.38	44.10	45	45	44.50	
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OER (%)	20.6	20.75	20.90	21	21																												
KER (%)	5.0	5.0	5.1	5.1	5.15																												
RM/Mt	39.38	44.10	45	45	44.50																												
Criterion 4.6.3: Transparent and fair price dealing																																	
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	There was no permanent contractor engaged by the mill. FFB transport were conducted by parent company which is FGV Transport. For FFB Supplier, price of FFB were placed at the weighbridge and according to MPOB Price.	Complied																														
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	There was no permanent contractor engaged by the mill. FFB transport were conducted by parent company which is FGV Transport.	Complied																														
Criterion 4.6.4: Contractor																																	
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	There was no permanent contractor engaged by the mill. FFB transport were conducted by parent company which is FGV Transport.	Complied																														
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	There was no permanent contractor engaged by the mill. FFB transport were conducted by parent company which is FGV Transport.	Complied																														

MSPO Public Summary Report
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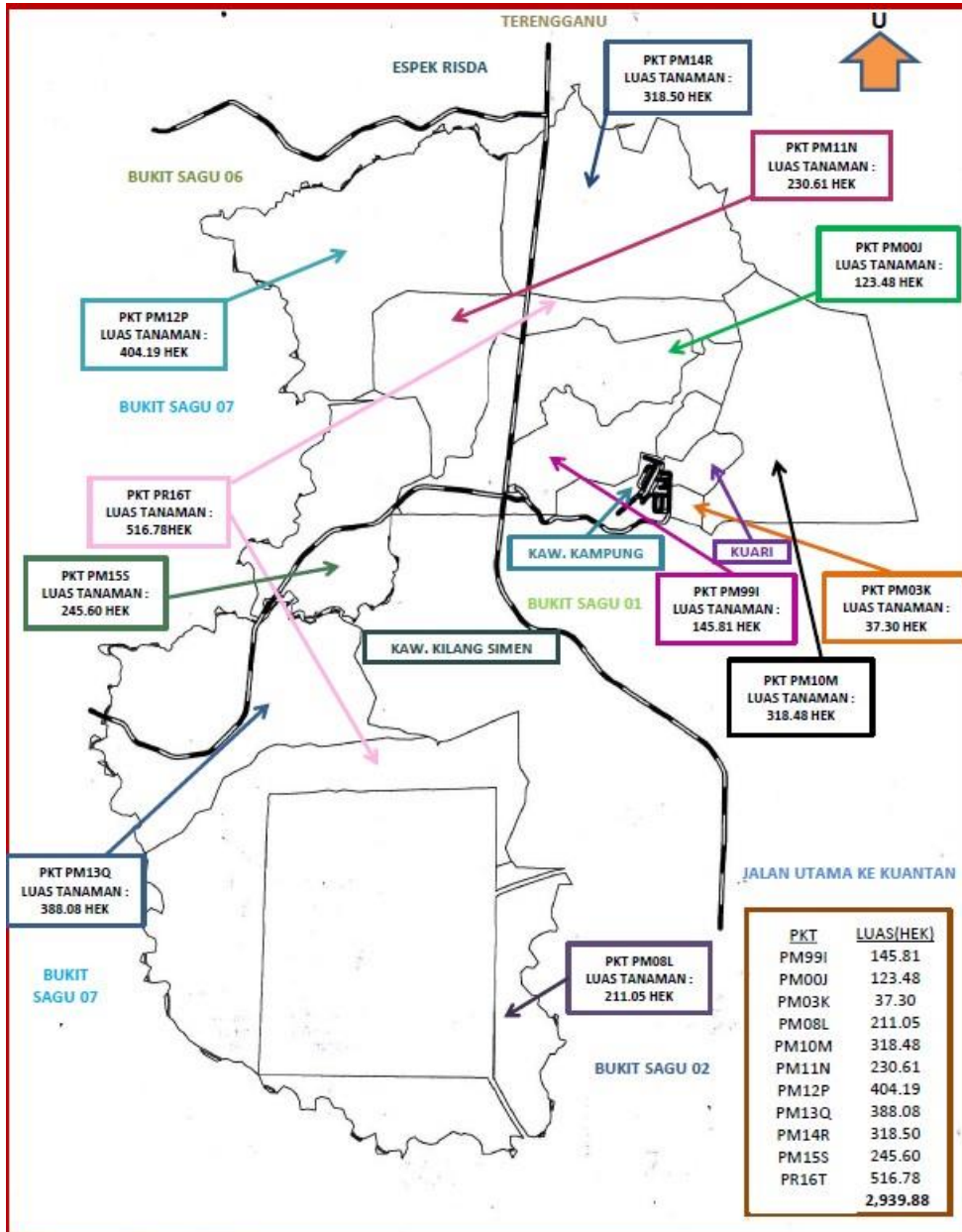
Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	There was no permanent contractor engaged by the mill. FFB transport were conducted by parent company which is FGV Transport.	Complied

Appendix C: Location and Field Map

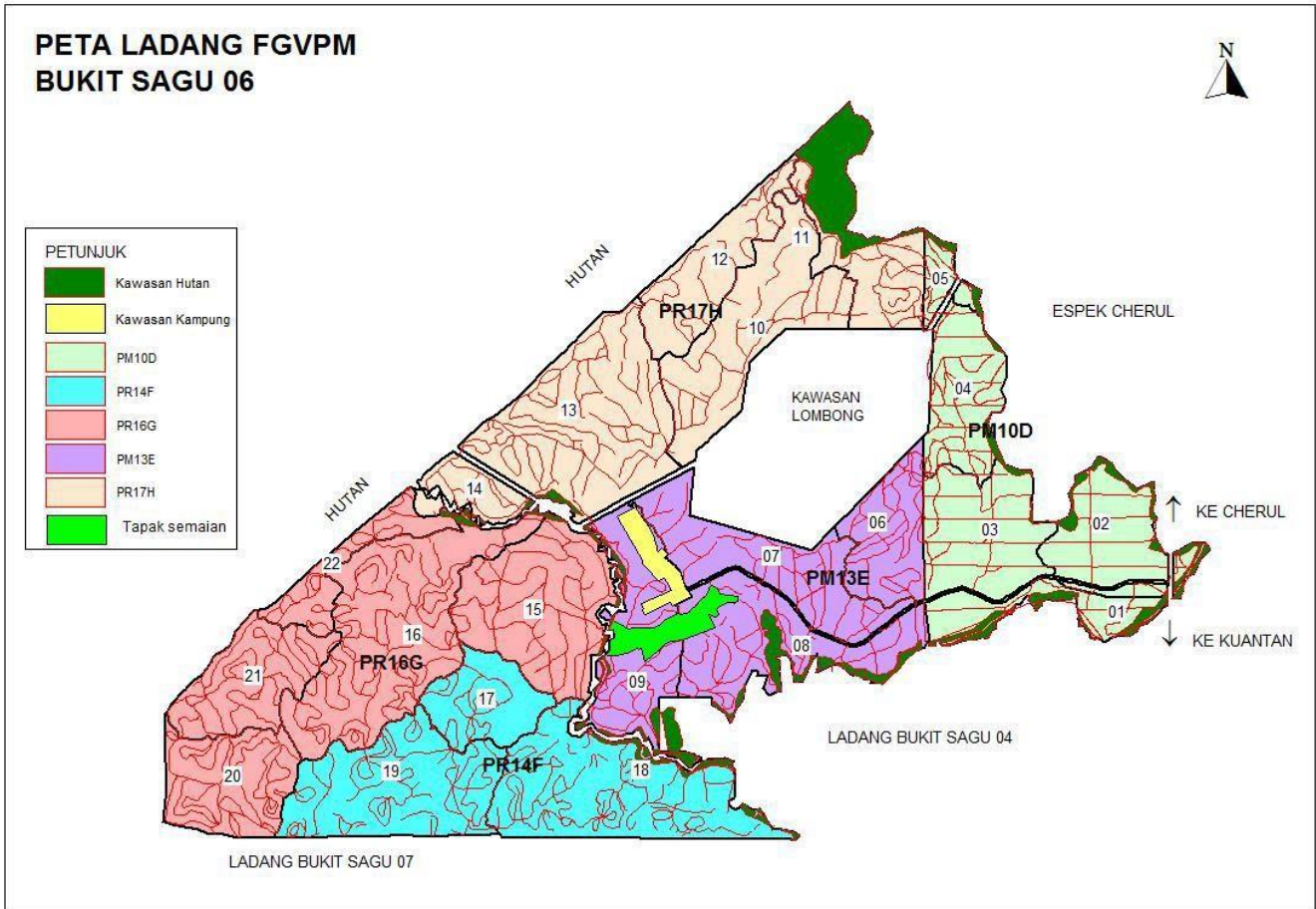
FGVPISB Bukit Sagu POM



Bukit Sagu 4 Estate

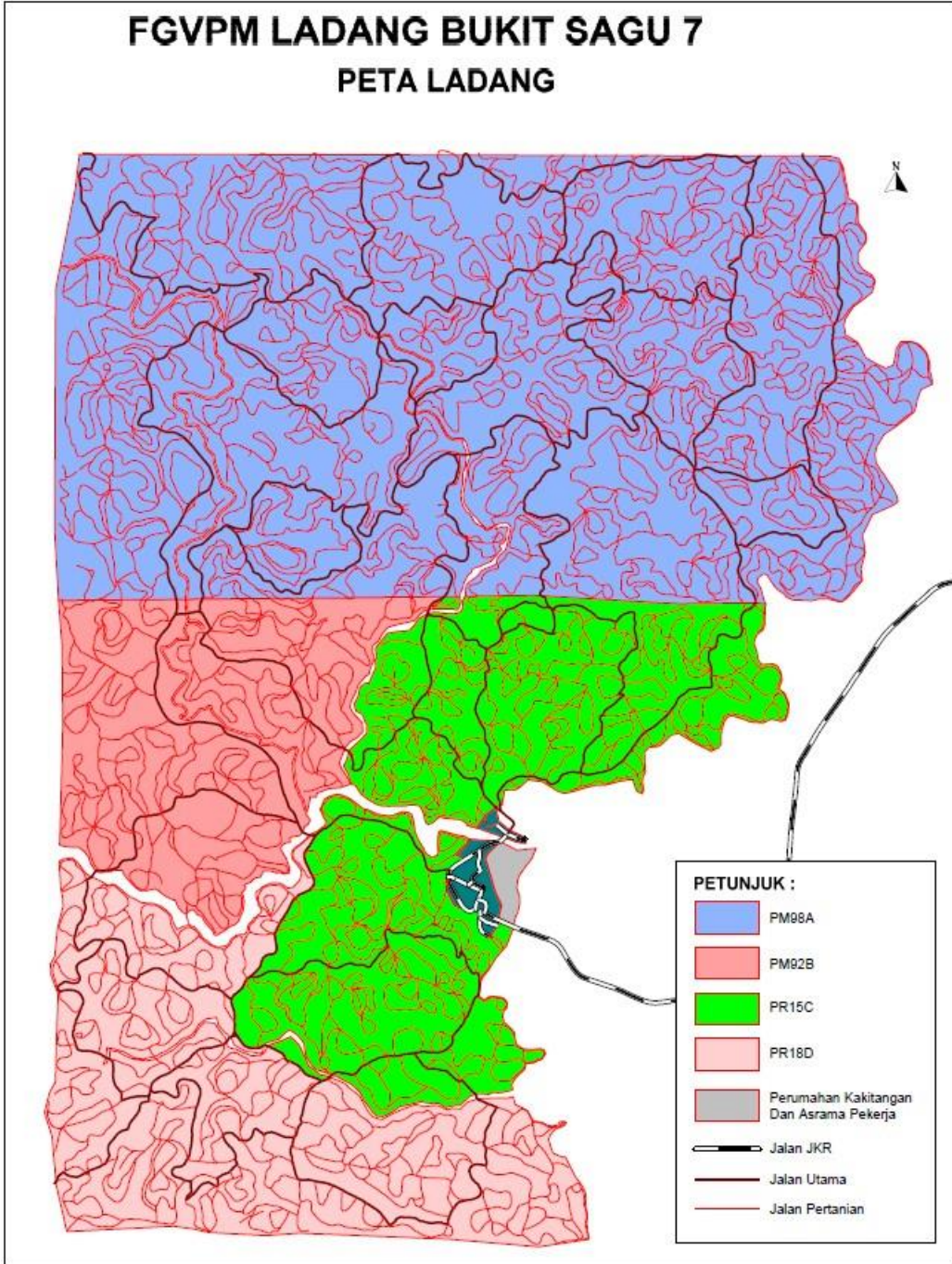


Bukit Sagu 6 Estate

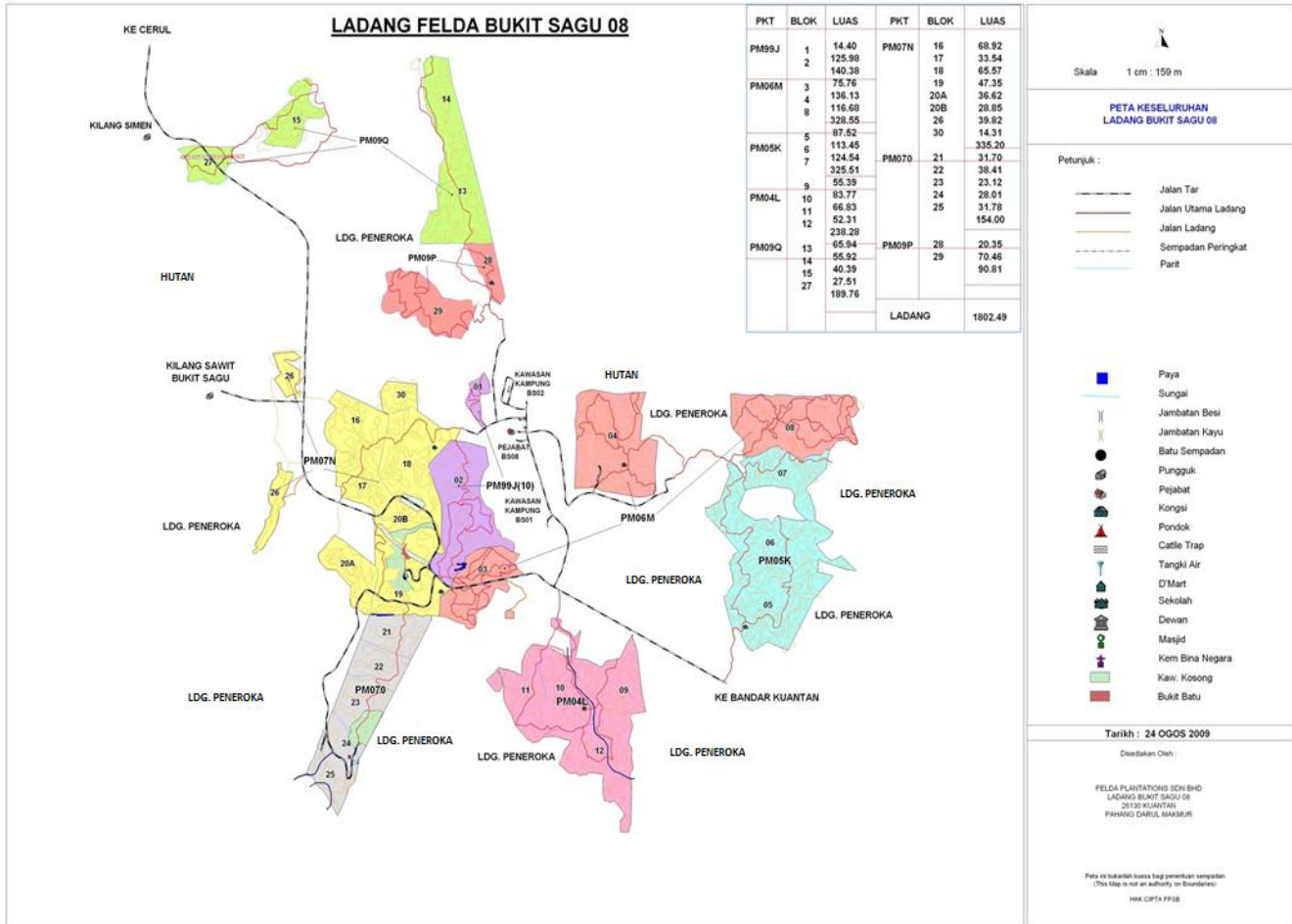


Bukit Sagu 7 Estate

**FGVPM LADANG BUKIT SAGU 7
PETA LADANG**



Bukit Sagu 8 Estate



Appendix D: 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