

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

FGV Holdings Berhad
Head Office: Sustainability Compliance & Certification Department, Level 20 (W), Wisma FGV, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia
Certification Unit: Belitong Palm Oil Mill and Supply Base Location of Certification Unit: Kilang Kelapa Sawit Belitong, KM 28, Jalan Kluang/Kota Tinggi 86000 Kluang, Johor, Malaysia

Report prepared by:
Valence Shem (Lead Auditor)

Report Number: 8938623

Assessment Conducted by:
BSI Services Malaysia Sdn Bhd,
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel +603 2242 4211 Fax +603 2242 4218
www.bsigroup.com

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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	Belitong Palm Oil Mill: 500170904000 FGVPM Bukit Tongkat B Estate: 558895002000 FASSB Ulu Belitong Estate: 50354090200		
Company Name	FGV Holdings Berhad		
Address	Sustainability Compliance & Certification Department, Level 20 (W), Wisma FGV, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia		
Group name if applicable:	N/A		
Subsidiary of (if applicable)	FGV Plantations (Malaysia) Sdn Bhd – Kilang Kelapa Sawit Belitong		
Contact Person Name	Anthonius Sani		
Website	www.feldaglobal.com	E-mail	anthonius.s@fgvholdings.com
Telephone	+603-27890521	Facsimile	+603-27890440

1.2 Certification Information			
Certificate Number	Mill: MSPO 693232 Estate: MSPO 693234		
Issue Date	21/05/2019	Expiry date	20/05/2024
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	04-05/06/2018		
Stage 2 / Initial Assessment Visit Date (IAV)	16-18/10/2018		
Continuous Assessment Visit Date (CAV) 1	N/A		
Continuous Assessment Visit Date (CAV) 2	N/A		
Continuous Assessment Visit Date (CAV) 3	N/A		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 693230	RSPO	BSI Services Malaysia Sdn Bhd	06/02/2024
ISO 9001	Quality management system	SIRIM QAS International Sdn Bhd	11/08/2019
OHSAS 18001	Occupational health and safety management system	SIRIM QAS International Sdn Bhd	23/02/2020

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1.3 Location of Certification Unit			
Name of the Certification Unit	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Belitong Palm Oil Mill	Kilang Sawit Belitong, KM 28, Jalan Kluang/Kota Tinggi, 86000 Kluang, Johor	1° 56' 18" N	103° 29' 55" E
FGVPM Bukit Tongkat B Estate	Ladang FGVPM Bukit Tongkat B, 86000 Kluang, Johor	1° 56' 29" N	103° 30' 14" E
FASSB Ulu Belitong Estate	Stesen FASSB Ulu Belitong, 86000 Kluang, Johor	1° 56' 22" N	103° 28' 39" E

1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
FGVPM Bukit Tongkat B Estate	212.98	404.55	328.99	124.14	0
FASSB Ulu Belitong Estate	0	79.17	49.29	0	0
Total (ha)	212.98	483.72	378.28	124.14	0

1.5 FFB Production (Actual) and Projected (tonnage)			
Producer Group	Projected	Actual production	Projected production (Jan 2019-Dec 2019)
FGVPM Bukit Tongkat B Estate	NA	NA	18,201
FASSB Ulu Belitong Estate	NA	NA	3,526
Total			21,727

1.6 Certified Tonnage			
Mill Capacity: 150 MT/hr	Estimated	Actual	Forecast (Jan 2019 – Dec 2019)
	FFB	FFB	FFB
	N/A	N/A	21,727 mt
SCC Model: IP	CPO (OER: %)	CPO (OER: %)	CPO (OER: 19.60 %)
	N/A	N/A	4,258 mt
	PK (KER: %)	PK (KER: %)	PK (KER: 5.60 %)
	N/A	N/A	1,217 mt

Note: ¹Some 233,000 mt of FFB is contributed by non-certified suppliers to the mill.

1.7 Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
FGVPM Bukit Tongkat Estate	1,070.66	0	171.86	1,242.52	86
FASSB Ulu Belitong Estate	128.46	0	10.03	138.49	93
Total (ha)	1,199.12	0	181.89	1,381.01	87

1.8 Details of Certification Assessment Scope and Certification Recommendation:

BSI Services Malaysia Sdn Bhd has conducted the Initial Assessment of FGV Plantations (Malaysia) Sdn Bhd – Belitong Palm Oil Mill and Supply Base which is located in Kluang, Johor comprising Belitong Palm Oil Mill, FGVPM Bukit Tongkat B Estate, FASSB Ulu Belitong Estate and infrastructure.

The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder, MS 2530-4:2013 Part 4: General principles for palm oil mills and MSP0 Guidance. The onsite assessment was conducted on 16-18/10/2018.

Based on the assessment result, FGV Plantations (Malaysia) Sdn Bhd - Belitong Palm Oil Mill and Supply Base complies with the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder, MS 2530-4:2013 Part 4: General principles for palm oil mills and recommended for certification.

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel +603 2242 4211 Fax +603 2242 4218
Nicholas Cheong: Nicholas.Cheong@bsigroup.com
www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 16-18/10/2018. The audit programme is included as Appendix A. The approach to the audit was to treat the Belitong Palm Oil Mill and Supply Base as an MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. MS 2530-3:2013 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 where the stakeholder notification was made on 10/09/2018.

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

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

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

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

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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.

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

1. Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 3)
Belitong Palm Oil Mill	✓	✓	✓	✓	✓
FGVPM Bukit Tongkat B Estate	✓	✓	✓	✓	✓
FASSB Ulu Belitong Estate	✓	✓	✓	✓	✓

Tentative Date of Next Visit: October 14, 2019 – October 16, 2019

Total No. of Mandays: 6.0

BSI Assessment Team:**Valence Shem – Lead Auditor**

He holds Bachelor Degree in Industrial Technology, graduated from University of Science Malaysia in 1998 and has 9 years working experience in oil palm plantation industry. He has been in the management system auditing line since 2009 for various standards such as ISO 140001, RSPO P&C, RSPO SCCS and SMETA. He completed the ISO 14001 Lead Auditor Course in 2008, ISO 9001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2011, Endorsed RSPO SCCS Lead Assessor Course in 2012 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since 2009 in various companies in Malaysia. During this assessment, he assessed on the aspects of legal, environmental & biodiversity, agriculture best practices and the supply chain element. Able to communicate in Bahasa Malaysia and English.

Hu Ning Shing - Team Member

She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the OHS and aspects of social. Able to communicate in Bahasa Malaysia and English.

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Initial Certification Assessment there were zero (0) Major nonconformities, one (1) minor nonconformity and two (2) OFIs raised. The Belitong Palm Oil Mill and Supply Base submitted their Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity were 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.

Finding Reference	1696075-201804-N1	Certificate Reference	MSPO 693232
Certificate Standard	MS 2530:2013 Part-3	Clause	4.4.4.2 (MSPO Part 3)
Category	Minor		
Area/Process:	As per public summary report		
Statement of non conformance:	The appointed employees to be the first-aiders were not trained.		
Clause requirements	The occupational safety and health plan shall cover the following: 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.		
Objective evidence	There were 2 employees at FASSB Ulu Belitong Estate appointed as first-aiders. However, there is no evidence that they have been trained on first aid.		
Cause	<ol style="list-style-type: none"> 1. Implementation of first aider training needs to staff for each FASSB farm is coordinated at a centralized level where estate management has listed the name of the officer (En Abd Jalil & En Hafiz) to undergo the training in 2018 programme. 2. The FASSB central management coordinating program has not yet informed the plantation for the validation of the training date to be implemented in 2018 although the meeting on the requirements was discussed at the central management level. 3. The officer who was previously trained as a first aider was En Mohd Lazim Judin who had been transferred to another unit and no substitute trainees 		

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	were trained during that period.
Correction containment /	<ol style="list-style-type: none"> 1. FASSB estate management Ulu Belitong submits a letter of notification to the central management for review of the first aider training needs to the involved personnel who need to be implemented immediately. 2. Feedback of confirmation the first aider training date to be performed by the central FASSB management.
Corrective action	<ol style="list-style-type: none"> 1. Copy of letter to FASSB center management related to first aid training needs. 2. Feedback (letter / email) regarding the confirmation of the first aider training date to be implemented. 3. Letter of call attending the first aider course. 4. Copy of first aider certificates for staff who have undergone training.
Assessment conclusion	The corrections and corrective actions are accepted. The effective implementation shall be carried out in the next assessment.

Finding Reference	1696075-201804-I1	Certificate Reference	MSPO 693232
Certificate Standard	MS 2530:2013 Part-3	Clause	4.4.5.11 (MSPO Part 3)
Category	Opportunity for Improvement		
Area/Process:	As per public summary report		
Details	Linesite inspection was carried out at random frequency and the last inspection was carried out on 12/10/2018 which did not meet the frequency of once a weekly.		

Finding Reference	1696077-201806-I2	Certificate Reference	MSPO 693232
Certificate Standard	MS 2530:2013 Part-3	Clause	4.5.3.4 (MSPO Part 3)
Category	Opportunity for Improvement		
Area/Process:	As per public summary report		
Details	On-site visit to the linesite in Belitong POM found that rubbish was not properly disposed where the rubbish was found on the ground outside the houses. The rubbish was found at Block 16 Jalan Antoi and Block 11 Jalan Antoi.		

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

N/A as this is the Initial Assessment

3.4 Issues Raised by Stakeholders

IS #	Description
1	Issues: Contractors – They have signed on the agreements prior to work. They understood the terms and conditions stated in the agreement and complied with the requirements for sustainability and legal. They informed that payment was made promptly.
	Management Responses: The management will continue to ensure the payment make promptly.
	Audit Team Findings: Document reviewed on the payment vouchers found that payment was made before day 10 th of the following month.
2	Issues: School Representative (SMK Belitong) – The headmaster informed that they have good relationship with the management. The management has provided assistance whenever they requested. There were no any negative impacts due to the activities in the estate. She understood the complaint procedure.
	Management Responses: The management will maintain good relationship with the neighbouring schools.
	Audit Team Findings: No other issue.
3	Issues: Local Government Clinic representative – The Health representative informed that no case of any outbreak diseases reported in the estate. They have good relationship with the management and aware of the complaint procedure.
	Management Responses: Management will report to the relevant department if there is any outbreak of disease.
	Audit Team Findings: No further issue.
4	Issues: Workers – The workers have informed that they were treated equally without any discrimination. Their wages have achieved Minimum Wage Order 2016. They were provided with free housing and subsidized of water and electricity. They received a copy of the employment contracts.
	Management Responses: The management will ensure compliance with legal requirements.
	Audit Team Findings: No other issue.

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1696075-201804-N1	Minor	18/10/2018	Open

3.6 Summary of the findings by Principles and Criteria

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Covered under “ <i>Polisi Pengeluaran Minyak Sawit Lestari dalam Kumpulan FGV</i> ” [ML-1A/L1-Po1(0), pindaan 0, 1/6/2014]. It was signed by Mr. Mohammed Emir Mavani Abdullah (President & CEO FGV). Apart from that there is also Group Sustainability Policy [FGV/SED/POL/001, rev. 0, 1/9/2016 which purpose is to establish the objectives and guidelines for FGV and its Group of Companies with regards to sustainability matters (clause 1.1).	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy contain a statement “ <i>Pengurusan FGV komited ke arah penambahbaikan berterusan dan keterbukaan di dalam aktiviti pengeluaran minyak sawit lestari</i> ” in the last paragraph.	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.	Internal audit was conducted on 25/1/2018 by 2 internal auditors (Nur Hazwani Norhata & Abd Rahman Awang) for Bukit Tongkat Estate and on 24/1/2018 by 3 internal auditors (Azwan, Hilmi,	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Hayati). The audit was conducted together with RSPO 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 -	Ref.: Prosedur Audit Dalaman [FGV/ML-1A/L2-Pr11, issue 1, rev. 0, 1/6/2016] where it describes the person in-charge, frequency, scope, reporting and handling of NC. Based on the audit report, the identification of root causes and corrective actions were found to be effective.	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	Internal audit reports were made available. Discussion about the internal audit report was one of the agendas in the management review meeting.	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 -	Management review was conducted on 5/2/2018. It was chaired by the estate manager and attended by the key personnel. Among the agendas recorded in the minutes of meetings are as follows: <ul style="list-style-type: none"> • Audit results • customer satisfactory • Production • Environment action plan • Social action plan • Replanting 	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 consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	Social Improvement Plans were available [Doc. No. MSPO/RSPO dated 7/8/18]. It covered the consideration of Social, Infrastructure & Environmental Impact.	Complied
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption. - Major compliance -	New information and technology were normally obtained from traders/suppliers and dissemination from KL headquarters. Among the new techniques considered were replacement of Class I pesticide for leaf-eating pest to Class III where can minimise the risk to health.	Complied
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 -	Estates have appointed the field supervisors as the person in-charge to implement and monitor any new technologies being implemented and training of other personnel's. No new technology adopted by the estate for field operation so far. Any changes to the current practices must be justified and approved by management prior to implementation. Training will be provided to respective workers that involved with any new technologies.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			

Criterion / Indicator		Assessment Findings	Compliance
4.2.1.1	<p>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.</p> <p>- Major compliance -</p>	<p>Bukit Tongkat B Estate and Ulu Belitong Estate has issued a memo to the stakeholders such as settlers, contractors, suppliers and government authorities regarding the request of documents such as land title, OSH plan, social and environment assessment plan, complaint and grievance procedure, company policies and HCV management plan on 10/1/2018.</p> <p>FGV has conducted a combined stakeholder meeting on 24/5/2018 for PSD, Felda Segamat Region, FTSPB Segamat Region, FGVPM Segamat Region and FPISB Kluang Region. During the meeting, the management has explained the requirements of sustainable palm oil certification to all the stakeholders. Besides, briefing of policies and management procedures of sustainability was carried out during the meeting as well.</p>	Complied
4.2.1.2	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>Bukit Tongkat B Estate has maintained a Request and Response Record Form to record any requests from the stakeholders. For eg: the stakeholder has requested the usage of meeting room in the estate for training and the management has approved. Seen the request letter from stakeholder and response by the management. Besides, all the policies and annual report were publicly available in the company's website: www.feldaglobal.com. Others sustainability practices were also available in the website.</p>	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p>	<p>FGV has developed “Komunikasi, Penglibatan dan Rundingan” procedure (Doc. No. ML-1A/L2-Pr3(0) dated March 2012) where the objective of the procedure is to provide an effective communication</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	system with the stakeholders. The types of communication are such as with the internal workers, media, external stakeholders, contractors and suppliers. The time frame to be responded to external communication is within 2 weeks from the date of receipt of request and within 1 week from the date of investigation completed if it is requiring any investigation.	
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 -	Supervisor of Bukit Tongkat B Estate and Ulu Belitong Estate has been appointed as Communication Officer for social issue in the estate and appointment letter dated 10/1/2017 and 10/3/2018 was sighted.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	Bukit Tongkat B and Ulu Belitong Estate management has developed stakeholder list which included government authorities, local communities, settlers, neighbouring plantations, contractors and suppliers. A combined stakeholder meeting for Segamat and Kluang region was conducted on 24/5/2018 with participation of relevant stakeholders such as local authorities, local communities, neighbouring plantations and contractors. Input of the stakeholders was incorporated into the meeting minutes by conducted the questionnaire with the stakeholders.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).	Manual Ladang Sawit Lestari, 8.0 Mengangkut BTS ke Kilang [MLSL (Ed.2) – Sec.4 (8.0), 1/6/2012] has been established to provide guideline on delivery of FFB to the mill. Among the documents & records found to be maintained were:	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> • Nota Penghantaran BTS • Slip Akuan Penerimaan (weighbridge ticket) • Slip Grading • Sijil Mutu BTS 	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Various means were available on how to monitor the traceability where among others the updating of FFB delivery records, through month end account closing and internal audit. Based on the records of FFB delivery, it was found that the procedure of traceability was well implemented.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The office clerks are assigned to implement and maintain the traceability system, e.g. Ms. Nor Hazimah [ref.: appointment letter from Estate Manager dated 15/1/2018 (ref.: (01)MSPO)] for Bukit Tongkat Estate.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Verification of the records and documents mentioned in 4.2.3.1 showed that the deliveries of FFB were well maintained. Crosschecking between the daily FFB delivery records and the transportation documents showed that the records were accurate and well maintained.	Complied
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.	The estates are committed to comply with all the applicable legal requirements. Among the evidence of compliance sighted were: - application of permit to purchase diesel renewal to KPDNKK, dated	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	23/5/2018 [ref.: KPDNKK.J.KTG/PERMIT KHAS 0679(PD)] - MPOB License #558895002000 – FGVP(M)SB, Ladang Felda Bukit Tongkat B, Menjual & Mengalih FFB, 1,207.67 Ha, 1/3/2018 to 28/2/2019 - MPOB License #503540902000 – FASSB, Ladang FASSB Ulu Belitong, Menjual & Mengalih FFB, 138.49 Ha, 1/9/2018 to 31/8/2019 - FGV Plantations (Malaysia) Sdn Bhd and Felda Holding Sdn Bhd has obtained approval from Jabatan Tenaga Kerja Semenanjung Malaysia for deduction of wages for water, electricity, medical fees that exceeded limit and other advance. Seen the approval permit with Ref. No.: (22)dIm BHG. PU/9/129 Jld 23 dated 26/4/2016 and Serial No.: PP3/34/0351 dated 15/9/2000.	
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	The applicable laws identified were listed in: <ul style="list-style-type: none"> • “Senarai Undang-undang dan Keperluan yang Berkaitan bagi Pematuhan RSPO (Malaysia)” • Bukit Tongkat - Daftar Perundangan dan Lain-lain Keperluan (Register of Legal and Other Requirements) [ML-1A/L5-AP1 to 32 Pind 0] – last updated 26/4/2018 – different AP#, different Act • Ulu Belitong - Daftar Perundangan dan Lain-lain Keperluan (Register of Legal and Other Requirements) [ML-1A/L5-AP1 to 33 Pind 0] – last updated 24/4/2018 – different AP#, different Act. 	Complied
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 -	The mechanism of tracking changes and update are guided by Manual Procedure, Evaluation of Compliance to Legal and Other Requirements [FPI/L2/QOSHE-17.0]. The legal register was last updated on 30/4/2018 (Bukit Tongkat) & 24/4/2018 (Ulu Belitong).	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>To track changes – Mazatul Aishah Aziz, Head Sustainability Regulations, Sustainability and Environment Department.</p> <p>BT-To monitor compliance – Nazuan (AM) – last evaluation of compliance was on 26/4/2018</p> <p>FUB-To monitor compliance – En. Ubaidullah (EM) – last evaluation of compliance was on 24/4/2018</p>	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>Bukit Tongkat B Estate holds total 12 land titles (under FELDA) which they leased from FELDA for approximately 848.88 hectares for 99 years. 2 of the land titles (Lot No. PTD 7521 (3.4490 hectares) and PTB 2059 (51.12 hectares)) were not available and pending in the Land Department of FELDA. Sampled of land titles as below:</p> <ul style="list-style-type: none"> i. Lot No.: 3932 for 0.3466 hectares which leased until 27/10/2098 ii. Lot No.: 7516 for 186.80 hectares which leased until 13/1/2099 iii. Lot No.: 3116 for 188.30 hectares which leased until 13/1/2099 	Complied
4.3.2.2	<p>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>Bukit Tongkat B Estate holds total 12 land titles (under FELDA) which they leased from FELDA for approximately 848.88 hectares for 99 years. 2 of the land titles (Lot No. PTD 7521 (3.4490 hectares) and PTB 2059 (51.12 hectares)) were not available and pending in the Land Department of FELDA. Sampled of land titles as below:</p> <ul style="list-style-type: none"> i. Lot No.: 3932 for 0.3466 hectares which leased until 27/10/2098 ii. Lot No.: 7516 for 186.80 hectares which leased until 13/1/2099 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		iii. Lot No.: 3116 for 188.30 hectares which leased until 13/1/2099	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Various methods have been used for demarcation of boundary such as trenching, red/white pegs, roads, etc. At Bukit Tongkat Estate, estate boundary with Kluang Forest Reserve, Kulim’s Sindora Estate and Felda Technoplant were visited and among the methods of demarcation seen were trenches, electrical fencing and pegs painted with red & white colour.	Complied
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There is no land dispute in the Bukit Tongkat B Estate and Ulu Belitung Estate at the time of audit. The lands are leased by Felda from Johor government to FGVPM and FASSB by verified through the agreement dated 15/11/1978 and approval letter from Felda to FASSB dated 18/1/2018. The surrounding is owned by settlers. There was no encroachment of land by the Bukit Tongkat B Estate and Ulu Belitung Estate.	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The lands are legally leased by state government and leased by FELDA to FGVPM and Felda Agricultural Services Sdn Bhd. The existing land is not encumbered by any customary land rights.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	The lands are legally leased by state government and leased by FELDA to FGVPM and Felda Agricultural Services Sdn Bhd. The existing land is not encumbered by any customary land rights.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	the time of audit.	
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	<p>Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.</p> <p>- Minor compliance -</p>	<p>The Social Impact Assessment was carried out 24/1/2018 in Bukit Tongkat B Estate and 23/1/2018 in Ulu Belitong Estate by the Certification & Due Diligence(CDD) Unit. Seen the assessment report which dated 24/1/2018 and 23/1/2018. The assessment has involved the participation of stakeholders such as internal workers, government authorities and settlers. The negative impacts and positive impacts that raised during the assessment were incorporated into the management plan. For eg:</p> <ul style="list-style-type: none"> i. Positive Impact: Contractor provided insurance to the workers. <ul style="list-style-type: none"> • Action to be taken: Insurance preparation. • Evidence: Seen one of the contractor’s insurance policy with Policy No.# APG/04033117/26/11/NA which valid from 10/11/2017 to 9/11/2018. • ii. Negative Impact: Law and regulations were seldom informed to the contractors. <ul style="list-style-type: none"> • Action to be taken: To carry out the briefing to the contractors. • Evidence: The management has carried out briefing of the law and regulations as well as the sustainability requirements on 5/2/2018 to the contractors. Seen the attendance list of the briefing. Interviewed with the 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>contractors confirmed that they are aware of the law and regulations that need to be complied by them.</p> <p>iii. Negative Impact: Housing condition was unsatisfied due to defect of flooring, ceiling fan and others.</p> <ul style="list-style-type: none"> • Action to be taken: To carry out inspection and repair as necessary. • Evidence: Seen the cash invoice for the purchase of cement, window, pipe, sockets and plywood for the repairing of housing complex. Cash INV# 3895 dated 11/7/2018 and Cash Bill# 7095 dated 21/5/2018 was sighted. 	
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 has developed procedure of "Menangani Aduan dan Rungutan" (Doc. No.: FGV/ML-1A/L2-Pr13 dated 1/6/2016). 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 the complains was clearly described in the procedure. The scope of the procedure covered the complaints related to management, housing complex, settlers and other welfare issues. There are 5 stages of process for internal complaint. The time frame for investigation of the issue should be done within 14 working days.</p>	Complied
4.4.2.2	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p>	<p>Bukit Tongkat B Estate and Ulu Belitong Estate has implemented Complaint and Response Form/ Book to record complaints or requests from the stakeholders. The management has taken action to rectify the issues and sampled as below:</p> <p>i. Issue: Worker Hostel A has reported broken dustbin and</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>malfunction of ceiling fan on 13/8/2018. Action taken: The management applied to get a new dustbin and informed technician to inspect and replace the ceiling fan. Evidence: Seen the delivery advice# 0009351 dated 12/9/2018 from supplier for the dustbin to be replaced.</p> <p>ii. Issue: Worker complained that the shoe was torn off on 18/6/2018. Action taken: The management has purchased and replaced a pair of new shoe to the workers on 19/6/2018. Evidence: Seen the invoice# 3930 dated 19/6/2018 for the purchased of shoe to be given to the worker.</p>	
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p>- Minor compliance -</p>	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	<p>Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p>- Minor compliance -</p>	Interviewed 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.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 managements have implemented the complaint form since March 2017. The records of complaint were available from March 2017 up to date.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	The management has made contribution to the local communities such as provided meeting room for training and tractor for the neighbouring school upon requests by the stakeholders. The request and response has recorded in the Request and Response Form. Besides, some monetary will be given to the workers during festival season. In Ulu Belitong Estate, the management has provided the estate to the students for field and learn trip upon request by the school management. Seen the photo evident of field and learn trip dated 19/3/2018.	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	FGVPM has established Safety and Health Policy and documented in Quality, Occupational Safety and Health and Environmental Policy signed by the CEO on 20/11/2017. The policy and plan were communicated to the employees through various methods such as trainings, briefings, display on notice boards, on the job supervisions, etc..	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.4.2 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>a) Policy is available, communicated and effectively implemented as mentioned in 4.4.4.1</p> <p>b) Addressed in "Pengenalpastian Hazard, Penilaian Risiko dan Kawalan Risiko" [FGVPM/L2/PP-01, dated 27/9/2013] procedure and registered in HIRADC form FGVPM/L4/PP-1.2 Pind 0] – included all activities in estates</p> <p>c) Awareness and training program have been established. The implementation of the programme was found to be on track and included all the employees exposed to pesticides. The precautions of the pesticides were made available through SDS kept at the chemicals store.</p> <p>d) Guided by Prosedur Kerja Selamat Penggunaan Peralatan Perlindungan Diri (PPE) – type/model/brand/made/ is specified. SOPs coupled with recommendation from CHRA assessor. Based on the site visit, the usage of PPE was found to be appropriate</p> <p>e) Addressed in</p> <ul style="list-style-type: none"> • Prosedur Kerja Selamat Pengendalian Bahan Kimia [FGVPM/L3/PK-04, 1/4/2014] • Prosedur Kerja Selamat Memunggah Baja di Stor [FGVPM/L3/PK-17, 1/4/2014] • Prosedur Kerja Selamat Kawalan Musuh dan Penyakit [FGVPM/L3/PK-18, 1/4/2014] • Prosedur Kerja Selamat Pengendalian Racun Kelas 1a [FGVPM/L3/PK-19a, 1/4/2014] • Prosedur Kerja Selamat Pengendalian Racun Kelas 1b [FGVPM/L3/PK-19b, 1/4/2014] <p>f) SHO Wilayah Segamat – En. Zainal B. Bujang [Reg. no. HQ/17/SO/01/01006, validity 22/3/2017 to 21/3/2020 (slip perakuan pendaftaran, Peraturan 7)</p>	<p>Non-conformance</p>

Criterion / Indicator	Assessment Findings	Compliance	
<p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>g) Addressed through safety committee meetings – conducted quarterly – 26/2/2018, 14/12/2017, 20/9/2017, 20/6/2017</p> <p>h) Kesiediaan Menghadapi Kecemasan [FGVPM/L2/PP-08, dated 20/7/2016] – fire breakout, spillage, major & minor accident</p> <p>i) Training on first aid included in the “Plan/program OSH Ladang Bukit Tongkat B 2018”. There were 2 employees at FASSB Ulu Belitong Estate appointed as first-aiders. However, there is no evidence that they have been trained on first aid. Nonetheless, based on interview, the first aiders were able to explain satisfactory knowledge about how to perform first aid. Thus, a minor non-conformity report was assigned due to this lapse.</p> <p>j) Borang n JKPP6,7 & 9, Statistik Kemalangan FGVPM [FGVPM4/L\$/PP-1.4 pind. 0. Records were made available.</p>		
<p>Criterion 4.4.5: Employment conditions</p>			
<p>4.4.5.1</p>	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p>	<p>FGV has developed Human Rights Policy dated 1/6/2014 and signed by President & CEO of FGV. FGV is committed and support human rights. Briefing of the policy was conducted on 25/1/2018 at the Bukit Tongkat B Estate and on September 2018 in Ulu Belitong Estate and</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	attendance list was sighted.	
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 has established Equal Opportunity Policy dated 1/6/2014. The company was committed to ensure all the employees were treated equally regardless of race, nationality religion, gender, age and other political opinions. Interviewed with the workers confirmed that no discrimination has occurred.	Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	There were employment contracts for contractors' workers. Pay and conditions are documented and are above the Minimum Wage Order 2016. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. Sampled of the payslips confirmed that the workers were paid in accordance with Minimum Wage Order 2016.	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 -	The contractors' workers signed on the employment contract where basic salary, annual leave and public holiday entitlement, termination of service and etc was clearly outlined in the contract. Sampled of payslips for contractors' workers in Bukit Tongkat B Estate and Ulu Belitong Estate for July 2018 to September 2018 that have achieved Minimum Wage Order 2016 as below: <ul style="list-style-type: none"> i. IC No.: 90XX11-0X-70XX ii. IC No.: 88XX21-0X-55XX iii. IC No.: 69XX02-0X-62XX 	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.5	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>All the recruited workers will be registered in the e-RML/ HRMS system 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 Labour Registration Form. Sampled of the Labour Registration Form as below:</p> <ul style="list-style-type: none"> a. Employee No.: FW01950803 (BTB) b. Employee No.: FW06010002 (BTB) c. Employee No.: FW06010038 (BTB) d. Employee No.: FW01950867 (BTB) e. Employee No.: FW06010091 (BTB) f. Employee No.: 2101169 (UB) g. Employee No.: 5400112 (UB) h. Employee No.: 2101239 (UB) i. Employee No.: 2102234 (UB) 	Complied
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Employment contracts were acknowledged and kept a copy by the workers verified through interviewed with the workers. The terms and conditions were clearly stated in the employment contract such as salary, termination of employment and probation period. Sampled of employment contracts as below:</p> <ul style="list-style-type: none"> i. Employee No.: LW06010004 (BTB) ii. Employee No.: FW06010078 (BTB) iii. Employee No.: FW06010091 (BTB) iv. Employee No.: FW06010002 (BTB) v. Employee No.: FW06010038 (BTB) vi. Employee No.: 1803240053 (UB) vii. Employee No.: 1801110005 (UB) viii. Employee No.: 1704040007 (UB) ix. Employee No.: 1409050002 (UB) 	Complied

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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 employees and employer.</p> <p>- Major compliance -</p>	<p>The estates have implemented the Pocket Checkroll system where the attendance and overtime can be verified through the system of individual workers. Sampled of time card as below:</p> <ul style="list-style-type: none"> i. Employee No.: FW06010078 (BTB) ii. Employee No.: FW06010091 (BTB) iii. Employee No.: FW06010002 (BTB) iv. Employee No.: FW06010038 (BTB) v. Employee No.: 1803240053 (UB) vi. Employee No.: 1801110005 (UB) vii. Employee No.: 1704040007 (UB) viii. Employee No.: 1409050002 (UB) 	Complied
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>The working hour and break time has been clearly stated in the employment contract. Besides, the attendance record was available and able to trace through Pocket Checkroll system record.</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 Pocket Checkroll Record". Total hours of overtime and daily attendance has recorded in the time sheet. Sampled the payslips for month June 2018, July 2018 and September 2018 as below:</p> <ul style="list-style-type: none"> i. Employee No.: FW06010078 (BTB) ii. Employee No.: FW06010027 (BTB) iii. Employee No.: FW01950867 (BTB) iv. Employee No.: FW01950803 (BTB) 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		v. Employee No.: 1803240053 (UB) vi. Employee No.: 1801110005 (UB) vii. Employee No.: 1704040007 (UB) viii. Employee No.: 1409050002 (UB) All of them above have achieved the Minimum Wage Order 2016. Hours of overtime has recorded in the payslip as well.	
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	The management has provided facilities such as mosque, kindergarten and community hall 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 was given to the workers as well.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	The workers in the estate 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. Linesite inspection was carried out in Bukit Tongkat B Estate on weekly basis and the last inspection was carried out on 11/10/2018 by using the form of Housing Cleanliness. Linesite inspection was carried out at random frequency and the last inspection was carried out on 12/10/2018 which did not meet the frequency of once a weekly. Thus, an OFI was raised. Water and electricity has been subsidized by the company for RM 4 for water and RM 6 for electricity.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.4.5.12	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>FGV has developed Sexual Harassment, Violence and Reproductive Rights Policy dated 1/6/2014. The company is committed to protect the rights of women on the reproductive and family planning. Discrimination is not allowed in the company. Besides, procedure Sexual Harassment Complaint was developed to provide a system to channel the complaint regarding sexual harassment and violence. Gender committee was established in the Bukit Tongkat B Estate and Ulu Belitung Estate to monitor and handle sexual harassment and violence case in the mill. The last meeting was conducted on 25/1/2018 for Belitong Complex and 12/2/2018 in Ulu Belitung Estate. No issue regarding sexual harassment and violence has been reported.</p>	Complied
4.4.5.13	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>FGV has developed Freedom to Voice and Freedom of Association Policy dated 1/6/2014. The company allows the employees to join any legal association and get approval from the management. Workers' Committee was established in Bukit Tongkat B Estate and Ulu Belitung Estate to discuss issues among the workers. The last meeting was conducted on 6/5/2018 in the Bukit Tongkat B Estate with total 6 participants and 9/2/2018 in Ulu Belitung Estate with total 19 participants. Issues raised during the meeting were recorded in the meeting minutes and response from the management has been recorded as well.</p>	Complied
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family</p>	<p>FGV has developed Child Labour Policy dated 1/6/2014 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</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>confirmed that all the employees were above 18 years old.</p>	
Criterion 4.4.6: Training and competency			
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Training program for 2018 was available at the visited estates. Among the trainings included were:</p> <ul style="list-style-type: none"> - Penerangan safety policy - Pengenalan pada perundangan OSHA 1994 - Pengurusan PPE - Penyediaan HIRARC - Penyediaan prosedur Operasi Keselamatan - Aktiviti kerja menuai - Aktiviti kerja membaja - Aktiviti kerja meracun - Kursus pengendalian pertolongan cemas & CPR - Penerangan penggunaan first aid - Memadam kebakaran <p>Training records were also well maintained at the office. Verification of the records showed that the implementation of the training programme was on track.</p>	Complied
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>The visited estates have conducted training need analysis and documented in 'Analisa Keperluan Latihan Petugas dan Pekerja'. Training Plan has been established based on the training needs analysis.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
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>The estates visited has training program which updated annually based on training need analysis. The trainings identified were programmed throughout the year.</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 developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Addressed in "Polisi Alam Sekitar", 2/1/2018, signed by Abd Aziz Mat Pilus, CEO of FASSB. Among the contents:</p> <ul style="list-style-type: none"> - compliance to legal commitment - to enhance EMS by minimizing environmental impact - encouraging open communication between stakeholders to promote environmental protection aspects - preventing pollution to air, water and soil - reduction of wastes and the consumption of natural resource - proactive & responsible for environmental protection - collaborate and establish relationship with government - carry out periodic review of the EMS to maintain target 0 pollution - continual improvement. <p>The policy was communicated through roll call, display at strategic places such as office wall & hostel.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
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>	<ul style="list-style-type: none"> a) The EMP policy is available as specified in 4.5.1.1 above b) Addressed in Pengenalpastian Aspek Alam Sekitar, Penilaian Impact dan Penentuan Kawalan [FGV/ML-1A/L2-Pr1, issue 1, rev. 0, 1/6/2016]. Records are kept in: <ul style="list-style-type: none"> i) Borang Pengenal Aspek Alam Sekitar dan Penilaian Impak ii) Borang daftar Aspek dan Impak Ketara Alam Sekitar iii) Borang Kriteria menilai Impak Ketara Alam Sekitar iv) Borang Pemantauan Kawalan Impak Alam Sekitar 	Complied
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>Addressed under "Penentuan Kawalan" column of the EAI, e.g. Patuhi SOP & OSHA, pembinaan stor premix, mewujudkan tempat bilasan tong racun terpakai, kitar semula beg baja terpakai.</p>	Complied
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 continual improvement plan.</p>	Complied
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p>- Major compliance -</p>	<p>The estates management has established annual training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers.</p>	Complied
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are</p>	<p>Both estates discussed their concerns about environmental issue with the workers representative in the Safety, Health and Environmental</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	discussed. - Major compliance -	Committee meeting which conducted on quarterly basis.	
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	The consumption of diesel was recorded in " <i>Penggunaan Minyak Diesel utk Aktiviti Ladang</i> ". The records contained the consumption by both vehicles and machinery of the estates and contractors. Baseline value was estimated through historical past years consumption which was eventually put in the annual budget.	Complied
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	Estimation was based on the annual budget mentioned in 4.5.2.1 above.	Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No renewable energy was used by both estates.	Complied
Criterion 4.5.3: Waste management and disposal			

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>The types of wastes were generally identified through the evaluation of environmental aspect and impact as mentioned in 5.1.1. Thereafter, documented in "<i>Pelan Pengurusan Sisa Domestik dan Bahan Buangan</i>" (Management Plan for Domestic Wastes and Waste Products) form. The form has the information about:</p> <ul style="list-style-type: none"> Type of wastes – e.g. fertilizer bags, plastic, glass, iron, paper, used PPE, HDPE containers, organic wastes, POME, EFB, shell, fibre, used oil, used oil filter Method of disposal – generally to reduce, reuse and recycle 	Complied
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <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>	<p>Apart from the document mentioned in 4.5.3.1, there is also a procedure entitled "<i>Pelupusan Sisa Domestik</i>" (Domestic Wastes Disposal) [FGV/ML-1A/L2-Pr23, issue 1, rev. 0, 1/6/2016] and "<i>Garis Panduan Pembinaan Lubang Sampah</i>" (Guideline for Landfill Preparation" (ML-1A/L3-GP2(0), rev. 0, 1/6/2016) used as guidance to avoid or reduce pollution. Based on site visit at the landfill at Bukit Tongkat B Estate, it was observed that the rubbish pit is located far from residential area and natural waterway. Domestic wastes from Ulu Belitong are disposed through the local district council management.</p>	Complied
4.5.3.3	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>SOP for handling scheduled wastes has been established entitled Waste Management. Ref doc no. FGVPM/L3/PK-05 in order to comply with the Environmental Quality Regulations (Scheduled Waste) 2005.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Empty Chemical Containers were sold to recycle vendors – method of disposal stated in "<i>Pengenalpastian Sumber & Jenis Bahan Buangari</i>" i.e. triple rinsed and sold to recycle vendor.</p>	Complied
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Domestic wastes from hostel brought to landfill inside the field. Based on site visit at the landfill at Bukit Tongkat B Estate, it was observed that the rubbish pit is located far from residential area and natural waterway. Domestic wastes from Ulu Belitong Estate are disposed through the local district council management.</p>	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The reduction of pollution has been incorporated with the method mentioned in 4.5.1.3 and 4.5.1.4 above. This includes the gaseous emissions, particulate/soot emissions and effluent.</p>	Complied
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>Action plan established for reducing GHG emission was through reduction of diesel usage though various programmes such as regular maintenance of vehicles and machinery and education to drivers.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance	
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 or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. 	<p>The estate has established the water management plan and reviewed on annually basis. Latest review was conducted on Jan 2018. The management plan was focusing on mitigation plan to reduce water pollution and water shortage in the estate, which among others:</p> <ul style="list-style-type: none"> - To state on map the inlet & outlet of Sg Sembrong and sample the quality - Training to employees on efficient consumption of water - Ensure no agrochemicals applied in the zone - Ensure no replanting in the riparian zone <p>Protection of water course is guided by its established procedure [Ref.: <i>Pengenalpastian Kawasan Cerun dan Rizab Sungai</i> [ML-1A/L2-Pr8(0), pind. 0, 1/6/2016]]. Based on site visit, the riparian zones were clearly demarcated and no trace of agrochemical usage was observed.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	No construction of bunds, weirs and dams across main rivers or waterways passing through the estates was observed during the site visit.	Complied
4.5.5.3	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). - Minor compliance -	Estate visited has implemented water harvesting in the estate. Such as directing water from road side drain into the field. For planting at hilly area, the estate has constructed conservation terrace and plant cover crop to conserve water and prevent land erosion.	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (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. - Major compliance -	Ref.: Laporan Biodiversiti Ladang FGVPB Bukit Tongkat B, last updated on 24/1/2018 by Muhd Zulfadzli B Sufian Suri. Based on the report, the estate is located next to FR Kluang. Therefore, there is a potential of encroachment of elephant, <i>harimau dahan</i> , tapir and <i>ungka</i> . Based on the HCV assessment report, there are RTE species identified in the plantation due to the reason that the estate is located adjacent to forest reserve. Appropriate measure such as setting up electric fencing at the estate's boundary to prevent encroachment of elephant, was applied at Bukit Tongkat B.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>Education for workers and field staff through daily briefing. The field staff have been briefed about the HCV & RTE on 24/2/2018 by the biodiversity assessor and mandore & contractor on 5/2/2018 by the Manager. Records were made available for verification.</p>	Complied
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>Monitoring records using a log book entitled "<i>Kehadiran Haiwan Liar di Ladang</i>" – observed reports at Bukit Tongkat Estate for 2018 dated 6/2, 26/2, 27/2, 13/3, 21/3 – The report has information about what animal, number of animal, location and observed by who.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p> <p>- Major compliance -</p>	<p>Addressed in "<i>Polisi Larangan Pembakaran Terbuka</i>" [ML-1A/L1-Po14(0), pind. 0, 1/6/2014] signed by President & CEO FGV (Mohammed Emir Mavani Abdullah). There were no use of fire observed for waste disposal and for preparing land for oil palm cultivation or replanting</p>	Complied
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or</p>	<p>N/A. Details in 4.5.7.1 above</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	continuation into the next crop. - Major compliance -		
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	N/A. Details in 4.5.7.1 above	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	There was no use of fire observed for land preparation at the newly replanted field. The oil palm trunks were felled, chipped and windrowed.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Standard Operating Procedures (SOPs) for estates are documented. Interview with staff and workers revealed that all working SOPs being consistently implemented among all employees and monitored by the management through daily muster briefing, training and etc. List sampled SOPs available during onsite assessment sighted as following: <ul style="list-style-type: none"> - Manual Ladang Sawit Lestari (Sustainable Oil Palm Manual) – Pengurusan Tapak Semaian Sawit (Oil Palm Nursery Management); Edisi II (Seksyen 1) - Manual Ladang Sawit Lestari (Sustainable Oil Palm Manual) – Pembangunan Semula Sawit (Oil Palm Replanting); Edisi II 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		(Seksyen 2) - Manual Ladang Sawit Lestari (Sustainable Oil Palm Manual) – Sawit Pra Matang (Premature Oil Palm); Edisi II (Seksyen 3) - Manual Ladang Sawit Lestari (Sustainable Oil Palm Manual) – Sawit Matang (Mature Oil Palm); Edisi II (Seksyen 4) - Manual Ladang Sawit Lestari (Sustainable Oil Palm Manual) – Sawit Matang (Mature Oil Palm); Edisi II (Seksyen 1) - MSL (Ed. 2); Vol. 1; Sec. 1-5; Controlled # 0871; Effective date: 1/6/2012 - Manual Lestari (Sustainable Manual)1A; ML-1A/L3-GP1(0); Rev. 0; Eff. Date: 1/6/2016 (Garis Panduan - Pensampelan Air) (Water Sampling Guideline)	
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	FGV has established policy regarding oil palm grown within permitted levels on sloping land and documented Conservation of Sloping Land and river reserve Policy Signed by the CEO on 20/11/2017. 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. a) Road side pit are made to divert water at slope areas to prevent road erosion and surface damage. b) Terraces are constructed inclined towards the terrace wall	Complied
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Field references were identified by year of planting. Signboard were erected and palms at the entrance of each field were painted with the field identification.	Complied

Criterion / Indicator	Assessment Findings	Compliance	
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 estates have their annual budgets with 3 years projection, where the information about operation cost was available. As to monitor the expenditure, the managers were required to submit their expenditure report to HQ on monthly basis with justification where necessary. Apart from that, there is also budget challenge meeting, where the managers present their expenditures to the top management to be reviewed.	Complied
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	No replanting program necessary as the oldest palms were just 20 years old.	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 -	Crop projection, yield, production cost is available. It is provided in the business management plan shown in item 4.6.2.1 above. The estates have a format and guideline to calculate the returns on the field operations i.e. $\text{Income} = \text{sale of FFB (with award of CPO/CPK from the mill)} - \text{the expenditure (fixed and direct cost)}$. This format is sighted.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>The estates performance is recorded in the monthly progress report.</p> <p>a) Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein.</p> <p>b) The management also provides variance report on the performance and reviewed on a monthly basis.</p> <p>c) The supervisory personnel maintained a daily cost for the field operations.</p> <p>d) The meeting involving the Managers sits monthly with the Regional PA and Head for the performance review.</p>	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Contract was signed by both parties through "<i>Surat Perintah Kerja</i>". The terms and conditions were available as well as the Pricing mechanisms for the products and other services.</p>	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>Sampled of contract agreement that signed by the contractors as below:</p> <ul style="list-style-type: none"> i. Contract No.: 5300002447 for transporting FFB to mill from estates which valid from 1/11/2016 to 31/10/2018. ii. SPK# C5171702016 for transporting FFB to mill from estates which valid from 1/1/2017 to 31/12/2018. iii. SPK# 820105001-17/820231101-12-230 for transporting FFB to mill from estate which valid from 1/1/2018 to 31/12/2018. 	Complied
Criterion 4.6.4: Contractor			

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 -	The payment was made according to the rate in contract before every 7 th of the month after received the total tonnage figure from mill during month end. Interviewed with the contractors confirmed that the payment was made promptly by Belitong POM and Bukit Tongkat B Estate.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	The contractors have signed on the contract prior to provide services. Seen the contract agreement and details as refer to Criterion 4.6.3.1.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	FGV has agreed for BSI auditors to verify the assessment through a physical inspection if required.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	The estate management will have obtained the month end report for the FFB sent by contractors from mill and payment will be made according to the tonnage and agreed rate in the signed contract. Seen the payment voucher as below: <ul style="list-style-type: none"> i. Voucher No.: 23 dated 3/9/2018 for tonnage on August 2018. ii. Voucher No.: 21 dated 3/9/2018 for tonnage on August 2018. iii. Voucher No.: 08/2018 (Ogos 2018) dated 6/9/2018 for tonnage on August 2018. iv. Voucher No.: 07/2018 (Julai 2018) dated 7/8/2018 for tonnage on July 2018. 	Complied
4.7 Principle 7: Development of new planting			

Criterion / Indicator	Assessment Findings	Compliance
Not applicable since there is no new planting at all the estates under Belitong certification unit.		

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	Covered under “ <i>Polisi Pengeluaran Minyak Sawit Lestari dalam Kumpulan FGV</i> ” [ML-1A/L1-Po1(0), pindaan 0, 1/6/2014]. It was signed by Mr. Mohammed Emir Mavani Abdullah (President & CEO FGV). Apart from that there is also Group Sustainability Policy [FGV/SED/POL/001, rev. 0, 1/9/2016 which purpose is to establish the objectives and guidelines for FGV and its Group of Companies with regards to sustainability matters (clause 1.1).	Complied
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	The policy contain a statement “ <i>Pengurusan FGV komited ke arah penambahbaikan berterusan dan keterbukaan di dalam aktiviti pengeluaran minyak sawit lestari</i> ” in the last paragraph.	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	Internal audit was conducted on 12/10/2018 by Sustainability Compliance & Certification Department (3 auditors) 18 NCR raised. The audit was conducted together with RSPO internal	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	further improvement. - Major compliance -	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 -	Ref.: Prosedur Audit Dalaman [FGV/ML-1A/L2-Pr11, issue 1, rev. 0, 1/6/2016] where it describes the person in-charge, frequency, scope, reporting and handling of NC. Based on the audit report, the identification of root causes and corrective actions were found to be effective.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	Internal audit reports were made available. Discussion about the internal audit report was one of the agendas in the management review meeting.	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 -	Management review was conducted on 13/10/2018 – chaired by MM, attended by 14 members. Among the agendas recorded in the minutes of meetings are audit results, customer satisfactory, production, environment, social and continuous improvement plan.	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company.	Continual improvement plan for the mill is established through management system (QESH). Among the plans established were Objectives, Target and Programme on OER, KER, 0 accident, etc.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Any new information is updated to employees through morning briefings, memo, meetings, station training. The latest technology that has been plan by the mill was to install dust collector. The letter from FGV to DOE was sighted.	Complied
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 -	FGV has developed " <i>Komunikasi, Penglibatan dan Rundangan</i> " procedure (Doc. No. FGV/ML-1A/L2-Pr12, Issue 1 dated 1/6/2016) where the procedure has stated the information that provided to the stakeholders such as policies, social impact assessment and environment aspects. FGV has conducted a combined stakeholder meeting on 24/5/2018 for PSD, Felda Segamat Region, FTPSB Segamat Region, FGVPMSegamat Region and FPISB Kluang Region. During the meeting, the management has explained the requirements of sustainable palm oil certification to all the stakeholders. Besides, briefing of policies and management procedures of sustainability was carried out during the meeting as well.	Complied
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	The mill has maintained the records of complains, OSH plans, policies, social and environmental plans and land titles. All these documents and records are publicly available upon request by the stakeholders as per described in the	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	or social outcomes. - Major compliance -	" <i>Komunikasi, Penglibatan dan Rundingan</i> " procedure. All the policies and annual report were publicly available in the company's website: www.feldaglobal.com . Others sustainability practices were also available in the website.	
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 has developed " <i>Komunikasi, Penglibatan dan Rundingan</i> " procedure (Doc. No. FGV/ML-1A/L2-Pr12, Issue 1 dated 1/6/2016) where the objective of the procedure is to provide an effective communication system with the stakeholders. The types of communication are such as with the internal workers, media, external stakeholders, contractors and suppliers. The time frame to be responded to external communication is within 2 weeks from the date of receipt of request and within 1 week from the date of investigation completed if it is requiring any investigation.	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 -	The Mill Manager has been appointed as officer that responsible for communication and negotiation in the mill. Seen the appointment letter dated 4/6/2018 issued by the General Manager of the Region.	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 mill management has developed stakeholder list which included government authorities, local communities, settlers, neighbouring plantations, contractors and suppliers. A combined stakeholder meeting for Segamat and Kluang region was conducted on 24/5/2018 with participation of	Complied

Criterion / Indicator		Assessment Findings	Compliance
		relevant stakeholders such as local authorities, local communities, neighbouring plantations and contractors. Input of the stakeholders was incorporated into the meeting minutes by conducted the questionnaire with the stakeholders.	
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	Addressed in " <i>Pensijilan Minyak Sawit Mampan</i> " manual, Supply Chain, Traceability and Mass Balance [SMP-GPB-23, rev. 4, 21/11/2014]	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Various means were available on how to monitor the traceability where among others the updating of productivity report, dispatch of CPO and PK, through month end account closing and internal audit. Based on verification of records, it was found that the procedure of traceability was well implemented.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	Addressed under management functions and job description, the procedure which describes overall responsibility is assigned to the Mill Manager. The responsible is to implement and monitor the FGVPM Belitong POM Supply Chain programme. Based on interview with the person in-charged, he was able to demonstrate awareness of the organization's procedures for the implementation of this standard.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Among the records to be maintained according to the procedure include: <ul style="list-style-type: none"> • FFB Receipt summary from MPR and SAP • Weighbridge ticket • Dispatch of CPO/PK – delivery instruction/sales order, weighbridge ticket, delivery order • Daily production report @ daily figure from MPR and SAP 	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. - Major compliance -	Belitong 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 CDD team. FGV Belitong POM management unit had obtained and renewed license and permits as required by the law. Sample of license Belitong POM <ul style="list-style-type: none"> - DOE License no. 001845, Compliance Schedule ref# S(B) A91/110/616/091, validity period 1/7/17 -30/6/17 - Akta Bekalan Elektrik 1990 – Electrical installation license no: 2017/02894 valid until 14/10/18 for 3397.45 kW. - Certified Environmental professional in the treatment of POM- Pond Processes (CEPPOME; No: 16001) - Certified Environmental professional in Scheduled Waste Management - (CePSWaM/170429) - Certificate of Fitness for Lifting Equipment, Unfired Pressure Vessel (UPV) - approval from <i>Jabatan Tenaga Semenanjung Malaysia</i> for deduction of salary for items such as sport club fee, 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		scheme insurance and housing loan, electricity and water. Seen the permits with Serial No.: PP3/34/1013 dated 16/1/2005 and Serial No.: PP3/34/0351 dated 15/9/2000.	
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>Identification and documentation of applicable legal requirements is guided by Manual Procedure, Legal and Other Requirements [FPI/L2/QOSHE 2.0, 15/9/2014].</p> <p>The applicable legal requirements for the mill and estate were registered in "<i>Daftar Perundangan dan Lain-lain Keperluan</i>" (Register of Legal and Other Requirements) [FPI/L4/QOSHE-2.1 Pind 0]. The register has info about:</p> <ul style="list-style-type: none"> • Act/Section/regulation • Enforcer • Main requirement (e.g. menjaga kebajikan petugas di tempat pekerjaan) • Environment aspect • Enforcement standard • Penalty • PIC • Compliance status <p>Among the Acts included: OSHA, FMA, Electric Supply Act, BOMBA, EQA, Poison Act, Weigh & Measure Act, SOCSO Act, MPOB Act and Employment Act to name a few.</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>The mechanism is guided by Manual Procedure, Evaluation of Compliance to Legal and Other Requirements [FPI/L2/QOSHE-17.0]. The Assistant Mill Managers are the persons responsible to conduct the evaluation of compliance. In the legal register [ML-1A/L5-AP1 Pind 0] there is a column to record the status of compliance and it was done by the assistant managers. The</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		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.	
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 -	To track changes – Mazatul Aishah Aziz, Head Sustainability Regulations, Sustainability and Environment Department.	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 -	The mill holds 1 land title (under FELDA Ulu Belitong Scheme) which they leased from FELDA for approximately 13.51 hectares for a period of 30 years from 1/1/1994 and expire on 31/12/2023. A copy of land title was sighted in the mill.	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 -	An agreement that signed between FELDA and Felda Palm Industries Sdn Bhd dated 25/11/1996 was sighted for the granted part of the land of Felda Ulu Belitong scheme to the mill. Seen a copy of land title was sighted.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	The mill has its perimeter fencing which meant to demarcate its boundary.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made	There is no land dispute in the Belitong POM at the time of audit. The lands are belonging to FELDA – Ulu Belitong Scheme by verified through the agreement. The surrounding is	Complied

Criterion / Indicator		Assessment Findings	Compliance
	available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	owned by settlers. There was no encroachment of land by the Belitong POM.	
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 and leased to Felda Palm Industries Sdn Bhd. The existing land is not encumbered by any customary land rights.	Complied
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 and leased to Felda Palm Industries Sdn Bhd. The existing land is not encumbered by any customary land rights.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	The Social Impact Assessment was carried out 23/1/2018 by the Certification & Due Diligence (CDD) Unit. Seen the assessment report which dated 23/1/2018. The assessment has involved the participation of stakeholders such as internal workers, government authorities, contractor, settlers and NGO. The negative impacts and positive impacts that raised during the assessment were incorporated into the management plan. For	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>e.g.:</p> <ul style="list-style-type: none"> i. Positive Impact: FELSCO has been invited for the safety programme. Action to be taken: Continue with the programme. Immediate action (within 6 months): Conduct fire drill. Evidence: Fire drill was conducted on 14/5/2018 which has involved the participation of FELSCO. Seen the photo evident of programme has been conducted. ii. Negative Impact: Waste management in housing area was unsatisfied. Action to be taken: To collect the waste accordingly. Immediate action (within 6 months): To tender a new contractor for waste collection. Evidence: The mill has appointed contractor with SPK# 3301257835 to collect the waste in housing area from 1/1/2018 to 31/12/2018. Seen the service acknowledgement form for waste collection by the contractor where the collection was carried out once a week. 	
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 has developed procedure of "<i>Menangani Aduan dan Rungutan</i>" (Doc. No.: FGV/ML-1A/L2-Pr13, Version 1 dated 1/6/2016). 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 the complains was clearly described in</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		the procedure. The scope of the procedure covered for both estate and mill. There are 5 stages of process for internal complaint. The time frame for investigation of the issue should be done within 14 working days.	
4.4.2.2	The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties. - Major compliance -	<p>Belitong POM has implemented Complaint Record Book to record any complaints or request from the stakeholders. The management has taken action to rectify the issues raised by the stakeholders. For eg:</p> <ul style="list-style-type: none"> i. Issue: The entrance gate was too difficult to open and close on 3/2/2018. Action taken: The management has installed auto gate to ease the security guard to open and close the gate. Evidence: Seen the Work Order with SPK# 3301275195/ 20827471 dated 12/3/2018 was sighted for the installation of auto gate in front of the mill. ii. Issue: The security guard has requested for PPE such as safety shoe and glove for the inspection of seal of lorry on 29/1/2018. Action taken: The management has provided the safety shoe and glove to the security guard. Evidence: Seen the PPE issuance record for the respective security guard of safety shoe, safety helmet and glove been provided on 2/2/2018. 	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.	The complaint record book was available in the office area where the stakeholders can easily access to lodge their complaint.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
4.4.2.4	<p>Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.</p> <p>- Minor compliance -</p>	<p>Interviewed 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.</p>	Complied
4.4.2.5	<p>Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.</p> <p>- Major compliance -</p>	<p>The management has implemented the complaint record book since September 2014. The records of complaint were available from September 2014 up to date.</p>	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.</p> <p>- Minor compliance -</p>	<p>The management has made contribution to the local communities such as given hampers for the school's events, contributed black soils to the school for tree planting, supplied EFB to the other estates. Seen the request letters from the stakeholders and acknowledgement by the stakeholders upon receipt of the contribution.</p>	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p>	<p>OSH policy "Dasar Kesihatan, Keselamatan dan Alam Sekitar", dated 1/4/2016 and signed by the Group President/CEO (Dato' Zakaria Arshad). The OSH policy includes among others:</p> <ul style="list-style-type: none"> to comply all the HSE legal requirements 	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<ul style="list-style-type: none"> • to manage HSE risks and provide the necessary resource to minimise incidents and accidents • to create HSE awareness among the employees and stakeholders • to recommend to the business associates to support the HSE objectives • establish action plans for continual improvement 	
<p>4.4.4.2 The occupational safety and health plan should cover the following:</p> <ol style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ol style="list-style-type: none"> ii. All employees involved are adequately trained on safe working practices; iii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling 	<ol style="list-style-type: none"> a) The policy has been established and elaborated in item 4.4.4.1 above. b) The risk of all operations were assessed and documented under HIRARC. The HIRARC for the mill operations was last reviewed on 15/5/2017. HIRARC for the following stations/activities were sighted: <ul style="list-style-type: none"> • Contractors’ activities, workshop, water pump house, boiler/generator set/turbine, incinerator, oil room, kernel plant, press station, capstan, steriliser, loading ramp, laboratory, office, FFB grading activity, entrance gate and water pump. • There was an accident involving a worker who got burnt due to burst acetylene hose. The accident happened on 4/10/2018, and a safety briefing about acetylene was done on 5/8/2018 attended by 11 staff. A meeting was also conducted on the same day which was attended by 10 staff and chaired by the MM. JKPP6 was sent on 7/8/2018 c) training for employees involved in chemical handling were given in various sessions, e.g.: 	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>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 ant the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> - "Pengurusan bahan kimia", conducted on 11/8/2018, attended by 9 participants d) Based on the HIRARC, among the PPE provided for mill operations safety shoes, hard hat, ear plug, goggle, mask, gloves, ear muffles and safety vest. PPE issuance records entitled "Pengambilan Alatan Keselamatan, Kilang Sawit Belitong" were available by individual employees. e) SOP for handling chemicals were available in various procedures such as Store Procedure [FPI-PK-025], Laboratory Procedure [FPI-PK-026(A)], Taking of Samples Procedure [FPI-PK-026(B)], Chemicals Procedure [FPI-PK-036] to name a few. f) The management has appointed En Izul as the Safety Officer for covering Felda POM at Kluang and Johor Bahru regions. g) Communications are made through various channel such as safety meeting, site supervision and briefing during the daily muster to name a few. <ul style="list-style-type: none"> • The safety meetings were held by the mill quarterly. Minutes of meeting dated 28/8/18, 28/5/18, 28/2/18 and 7/12/17 were verified. Among the agenda discussed in the safety meeting are: <ul style="list-style-type: none"> - Workplace inspection - Line site visit report - Accident statistics/report - Unsafe act - Legislative requirement/update h) Accident and emergency procedure is available entitled "Emergency Preparedness and Response" [FPI-L2/QOSHE- 	

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Criterion / Indicator		Assessment Findings	Compliance
		<p>14.0, dated 23/9/2016] which gives the guidance of how to respond emergency situation such as fire breakout, major spillage and explosion. Emergency drill is conducted to ensure understanding among the staff. The last drill was conducted on 14/5/2018 covering situations of fire breakout, diesel spillage, CPO spillage,</p> <p>i) There were 21 first-aiders for the mill whom were trained by and are members of Malaysian Red Crescent Society. List of the qualified first aiders with their membership validity periods were well kept.</p> <p>j) Records of all accidents are kept through filing of DOSH's JKPP6 and JKPP8 forms. Accident incidences are reviewed during safety meetings.</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 has developed Human Rights Policy dated 1/6/2014 and signed by President & CEO of FGV. FGV is committed and support human rights. Briefing of the policy was conducted on 2/2/2018 at the mill and attendance list was sighted.</p>	Complied
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>FGV has established Equal Opportunity Policy dated 1/6/2014. The company was committed to ensure all the employees were treated equally regardless of race, nationality religion, gender, age and other political opinions. Interviewed with the workers confirmed that no discrimination has occurred.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>There were offer letters for workers. Pay and conditions are documented and are above the Minimum Wage Order 2016. Sampled of offer letters confirmed that terms and conditions are clearly outlined and have been signed by the worker. The workers are in monthly rate salary of RM 1000. Sampled of the payslips confirmed that the workers were paid in accordance with Minimum Wage Order 2016.</p>	Complied
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>There was no permanent contractor available in the mill. Most of the maintenance and repair work was carried out by their own technicians. Therefore, there was no issue on the wages of employees of contractors.</p>	Complied
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>All the recruited workers will be registered in the Biodata Form 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. Sampled of the biodata forms as below:</p> <ul style="list-style-type: none"> a. Employee No.: 1211110 b. Employee No.: 1210101 c. Employee No.: 1209003 d. Employee No.: 4600397 e. Employee No.: 1207350 	Complied
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p>	<p>Offer letters were acknowledged and kept a copy by the workers verified through interviewed with the workers. The terms and conditions were clearly stated in the offer letter such as salary, termination of employment and probation period. Sampled of offer letters as below:</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> i. Employee No.: 1209003 ii. Employee No.: 1210101 iii. Employee No.: 4600397 iv. Employee No.: 1201171 v. Employee No.: 1204844 	
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 mill has implemented the 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 also clearly stated in the time card. Sampled of time card as below:</p> <ul style="list-style-type: none"> i. Employee No.: 1201171 ii. Employee No.: 1201376 iii. Employee No.: 1210101 iv. Employee No.: 1211110 	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>Records reviewed on the Punch card of sampled workers found that the enter time and exit time was clearly stated in the time card. Besides, the working hours and break time has indicated in the employment contract that acknowledged by the workers. The workers have worked less than 130 hours of overtime per month.</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 time card. Sampled the payslip for February 2018, April 2018 and July 2018 as below:</p> <ul style="list-style-type: none"> i. Employee No.: 1204815 ii. Employee No.: 1209003 iii. Employee No.: 4600397 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		iv. Employee No.: 1201158 v. Employee No.: 1206436 All of them above have achieved the Minimum Wage Order 2016. Hours of overtime has recorded in the overtime form as well.	
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. - Minor compliance -	The management has provided facilities such as mosque, kindergarten and community hall 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 was given to the workers as well.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. - Major compliance -	The workers in the mill 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. Linesite inspection was carried out on weekly basis and the last inspection was carried out on 11/10/2018 by using the form of Housing Cleanliness.	Complied
4.4.5.12	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	FGV has developed Sexual Harassment, Violence and Reproductive Rights Policy dated 1/6/2014. The company is committed to protect the rights of women on the reproductive and family planning. Discrimination is not allowed in the company. Besides, procedure " <i>Menangani Aduan Melalui Jawatankuasa Wanita</i> " (Doc. No.: FGV/ML-1A/L2-Pr14, Version 0 dated 1/6/2016) was developed to provide a system to channel the complaint regarding sexual harassment and violence. Gender committee and KKD committee was	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		established in the mill to monitor and handle sexual harassment and violence case in the mill. The last meeting was conducted on 6/7/2018 for Belitong POM. No issue regarding sexual harassment and violence has been 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 has developed Freedom to Voice and Freedom of Association Policy dated 1/6/2014. The company allows the employees to join any legal association and get approval from the management. Workers' Committee was established to discuss issues among the workers. The last meeting was conducted on 8/5/2018 in the mill with total 8 participants. Issues raised during the meeting were recorded in the meeting minutes and action has been taken accordingly.	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 has developed Child Labour Policy dated 1/6/2014 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 -	A formal training programme was in place that covers all aspects of the MSPO. The plan is combine with relevant ISO and EHS related training in 2017 and 2018.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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>Record of training was maintained available for review. Sample of training records verified:</p> <ul style="list-style-type: none"> - Sterilizer training/Prime mover driver training – 22/2/18 - ERP drill (spillage from diesel tank and despatch pump) - 14/5/18 - Fire Evacuation Drill – 13/3/18 - PPE and Safety Training – 31/1/18 - Sustainability Policy Training – 25/1/18 - Scheduled Waste Training – 20/9/17 - Safe Working Environment Training – 5/7/17 	Complied
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>The mill has training program which updated annually based on training need analysis. The trainings identified were programmed throughout the year.</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>Addressed in “Polisi Alam Sekitar”, 2/1/2018, signed by Abd Aziz Mat Pilus, CEO of FASSB. Among the contents:</p> <ul style="list-style-type: none"> - compliance to legal commitment - to enhance EMS by minimizing environmental impact - encouraging open communication between stakeholders to promote environmental protection aspects - preventing pollution to air, water and soil 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - reduction of wastes and the consumption of natural resource - proactive & responsible for environmental protection - collaborate and establish relationship with government - carry out periodic review of the EMS to maintain target 0 pollution - continual improvement. <p>The policy was communicated through roll call, display at strategic places such as office wall & hostel.</p>	
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>	<ul style="list-style-type: none"> a) The EMP policy is available as specified in 4.5.1.1 above b) Environmental impact assessment was guided by its Environmental Aspect and Impact Evaluation procedure [FPI/L2/QOSHE-1.0C]. The identification of Environmental Aspects and Evaluation of Significance Form [FPI/L4/QOSHE-1.7 Pind 0] was used to identify and evaluate the environmental aspect and impact. The evaluation was divided by workstations such as loading ramp, sterilizer, trashing & press, incinerator, oil room, bulk storage tank, raw water treatment plant, boiler, ETP, laboratory, diesel tank, workshop, SW store, EFB stock pile to name a few. Significant Environmental Aspect and Impacts Register Form [FPI/L4/QOSHE-1.8 Pind 0] was used to register the mitigation method which basically link to the Manual Operation procedures. <p>The evaluation of EAI was last updated on 3/2/2018 – format of EAI includes</p> <ul style="list-style-type: none"> • Dept./process • Aspect • Impact (type & score) 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> Usage/discharge quantity (per month or day) Impact mitigation method and comments 	
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p>- Major compliance -</p>	<p>The mill has established the environmental management plan base on activity with significant impact to the environment. The management plan was documented in Significant Environmental Aspect and Impacts Registrar Form. Refer doc no. FPI/L4/QOSHE 1.8 Pind 0. The management plan consist of significant aspect, mitigation plan, time frame and person responsible.</p>	Complied
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 positive impact are included in the Environmental Management Plan. E.g. of positive impact identified was Usage of shell and fibre from processed FFB as fuel for boiler to reduce the usage of diesel.</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>The mill management has established annual training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers.</p>	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>The mill discussed their concerns about environmental issue with the workers representative in the Safety, Health and Environmental Committee meeting which conducted on quarterly basis.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period - Major compliance -	The mill consistently monitored their fossil fuel consumption and kept records in order to get the information about efficient consumption. Among the management plans to improve efficiency were to ensure mill operation is running smoothly without interruption, therefore maximise the usage of turbine and eventually minimise the usage of generator set; to practice maintenance of machinery (such as tractors, vehicles and shovel) on schedule and continuous education to operators who handle the machinery so that the unnecessary running hours can be minimised. Baseline value was estimated through historical past years consumption which was eventually put in the annual budget.	Complied
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	Estimation was based on the annual budget mentioned in 4.5.2.1 above	Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Usage of shell and fibre as fuel for boiler has been consistently implemented in order to reduce the usage of diesel.	Complied
Criterion 4.5.3: Waste management and disposal			

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>The types of wastes were generally identified through the evaluation of environmental aspect and impact as mentioned in 5.1.1. Thereafter, documented in "<i>Pelan Pengurusan Sisa Domestik dan Bahan Buangan</i>" (Management Plan for Domestic Wastes and Waste Products) form. The form has the information about:</p> <ul style="list-style-type: none"> Type of wastes – e.g. fertilizer bags, plastic, glass, iron, paper, used PPE, HDPE containers, organic wastes, POME, EFB, shell, fibre, used oil, used oil filter Method of disposal – generally to reduce, reuse and recycle 	Complied
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>Apart from the document mentioned in 4.5.3.1, there is also a procedure entitled "<i>Pelupusan Sisa Domestik</i>" (Domestic Wastes Disposal) [FGV/ML-1A/L2-Pr23, issue 1, rev. 0, 1/6/2016] and "<i>Garis Panduan Pembinaan Lubang Sampah</i>" (Guideline for Landfill Preparation" (ML-1A/L3-GP2(0), rev. 0, 1/6/2016) used as guidance to avoid or reduce pollution.</p>	Complied
4.5.3.3	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p>	<p>At the mill, most chemicals used were for boiler water treatment and laboratory. The empty containers were normally disposed as scheduled wastes through authorised vendor. The scheduled wastes were also found to be appropriately handled through method outlined by the Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	On-site visit to the line site in Belitong POM found that rubbish was not properly disposed where the rubbish was found on the ground outside the houses. The rubbish was found at Block 16 Jalan Antoi and Block 11 Jalan Antoi. Thus, an OFI was raised.	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 -	The assessment of polluting activities was conducted through the method mentioned in 4.5.1.2 above. This includes the gaseous emissions, particulate/soot emissions and effluent.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Significant pollutants were identified through evaluation of aspect and impact. Emission of GHG was identified and the main sources were generation of mill effluent and consumption of diesel. Based on the mill's " <i>Pelan Mengurangkan Pencemaran Udara tahun 2018</i> " (2018 Plan to Reduce Air Pollution), the plans are: <ul style="list-style-type: none"> - to reduce the diesel consumption by carrying out regular maintenance of diesel powered machinery - to monitor efficiency of FFB processing through stack sampling & CEMS system - to encourage the uptake of EFB by the estate for mulching 	Complied
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil)	The mill applies the biological system with anaerobic lagoon and tertiary plant (membrane plant) in series for its treatment of effluent. The quality of discharged effluent was analysed	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>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>every month and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN. Based on quarterly report to the DOE, generally the mill has complied the regulated limit.</p>	
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 (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). <p>- Major compliance -</p>	<p>"<i>Plean Tindakan Pengurusan Air Kilang Sawit Belitong</i>" for 2018 was sighted. The plan consists of contingency plan during water shortage, flooding and during fire outbreak. Implementation can be seen with availability of records on the monitoring of water usage, monitoring of rainfall and water shortage contingency plan. As to date there was no reported case of water shortage at mill and worker's quarters.</p>	Complied
4.5.5.2	<p>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.</p> <p>- Major compliance -</p>	<p>Although the mill is still discharging its effluent into water course, the treatment of effluent was found to be well managed. This was evident through its results of quarterly returns to the DOE as mentioned in 4.5.4.3.</p>	Complied
4.6 Principle 6: Best Practices			

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.6.1: Mill Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Standard Operating Procedures (SOPs) for FGVPM Belitong POM are documented. Interview with staff and workers revealed that all working SOPs being consistently implemented among all employees and monitored by the management through daily muster briefing, training and etc. List sampled SOPs available during onsite assessment sighted as following: <ul style="list-style-type: none"> - Quality Occupational Health Safety and Environmental Management Manual; FPI/L1/QOHSE-1.0; Rev. 2; Date: 30/8/2017 - Quality Occupational Health Safety and Environmental Management Procedure; Rev. 14; Date: 31/5/2017; Ref.: FPI/L2/QOHSE-1.0 - FPI/L2/QOHSE-25.0 - Safe Work Procedure, issue:26, rev: 3 dated 26/12/1 - Procedure Manual "<i>Pensijilan Minyak Sawit Mampan</i>" - Mass Balance - SOP for Mill RSPO SCCS; Doc. No.: FGVPM-RSPO SCC, issue:3 rev:2 dated 1/12/17 Title: SOP Perkilangan untuk pematuhan Sistem Pensijilan RSPO SCCS (Mass Balance), where it is also used for MSPO 	Complied
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. Mill Advisor (MA) visit date: 13-14/11/17; Mill Advisory Visit Report; Report ref.: Belitong POM/MOA/AY; Report # (94)2017 – sighted crop distribution: FGVPM %; Felda 33%;	Complied

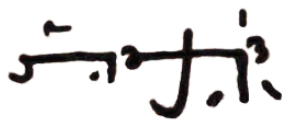

Criterion / Indicator		Assessment Findings	Compliance
		<p>FTPSB 52%; External 8%.</p> <p>Performance grade given by MA is 88% (A), however main issues highlighted in the report (high FFA, insufficient cages and silted ETP pond)</p> <p>Latest update: improvement action plan submitted by manager dated 16/1/18 and still in progress of completion. Only one issue have been closed and resolved which related to cages issue.</p>	
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan contains FFB yield @ crop review, CPO, OER, and KER, OPEX, CAPEX etc. Felda Palm Industries Sdn Bhd - Wilayah Kluang), "Rancangan 5 Tahun Syarikat" 2015 – 2019 was seen during assessment.</p> <p>CAPEX allocated for 2018 - 2020:</p> <ul style="list-style-type: none"> i) Fire Fighting System improvement ii) Workers quarters – staff quarters upgrading iii) EFB treatment – biomass waste management 	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Sampled of contract agreement that signed by the contractors as below:</p> <ul style="list-style-type: none"> i. Company Name: Hamid Engineering & Enterprise for transporting EFB from mill to estates from 1/5/2018 to 31/1/2/2018. ii. Company Name: Zana Niaga Enterprise for waste 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		collection in housing area from 1/1/2018 to 31/12/2018.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	The manner of payment of remuneration shall paid by the company to contractor 30 days as stated in the <i>Surat Perintah Kerja</i> . Seen the invoice from contractors and payment voucher from the management as below: i. INV# KSB 0008 dated 1/9/2018, Payment Voucher# 352003158 dated 6/9/2018 ii. INV# HE 2050 dated 2/9/2018, Payment Voucher# 352003119 dated 6/9/2018 All the payments were made in timely manner.	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 -	The contractors have acknowledged on a letter regarding the compliance of MSPO requirements and allowed the auditors to inspect relevant documents, operations and interview the workers whenever necessary. They were also briefed by the management regarding the MSPO requirements.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	The contractors have signed on the <i>Surat Perintah Kerja</i> prior to provide services. Seen the contract agreement and details as refer to Criterion 4.6.3.1. Besides, the contractor has acknowledged on the approval for the auditor to be inspected if necessary.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.	FGV has agreed for BSI auditors to verify the assessment through a physical inspection if required.	Complied

Criterion / Indicator	Assessment Findings	Compliance
- Minor compliance -		

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 Plantations (Malaysia) Sdn Bhd – Belitong Palm Oil Mill and Supply Base Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013 . It is recommended that the certification of Belitong Palm Oil Mill and Supply Base Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Anthonius Sani	Name: Valence Shem
Company name: FGV Holdings Berhad	Company name: BSI Services Malaysia Sdn Bhd
Title: Senior Manager	Title: Lead Auditor
Signature: 	Signature: 
Date: 3/5/2019	Date: 3/5/2019

Appendix A: Assessment Plan

Date	Time	Subjects	VS	HNS
Tuesday 16/10/2018 Belitong POM	0900-0915	Opening meeting: <ul style="list-style-type: none"> Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation) 		
	0915-1230	Belitong POM Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders, etc.	✓	✓
		Stakeholder consultations for both mill and estates which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.		✓
	1230-1330	Lunch break		
	1330-1630	Belitong POM Document Review P1 – P6 (MSPO Part 4): SOPs, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, etc.	✓	✓
	1630-1700	• Interim closing briefing	✓	✓
Wednesday 17/10/2018 Bukit Tongkat B Estate	0900-1230	Bukit Tongkat B Estate 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, Scheduled wastes management, worker housing, clinic, Landfill, , etc.	✓	✓
	1230-1330	Lunch break		
	1330-1630	Bukit Tongkat B Estate Document review P1 – P7 (MSPO Part 3): General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	✓
	1630-1700	Interim closing briefing	✓	✓
Thursday 18/10/2018 Ulu Belitong Estate	0900-1230	Ulu Belitong Estate 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, Scheduled wastes management, worker housing, clinic, Landfill, , etc.	✓	✓
	1230-1330	Lunch break	✓	✓
	1330-1530	Ulu Belitong Estate Document review P1 – P7 (MSPO Part 3): General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	✓
	1530-1600	Verify any outstanding issues & preparation for closing meeting	✓	✓

	1600-1700	Closing meeting	✓	✓
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Appendix B: List of Stakeholders Contacted

Internal Stakeholders

Workers' Representative Women's Representative Harvesters Mill Operators Sprayers General workers
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External Stakeholders

Government Departments	NGOs and others	Local Communities
School (SMK Belitong) Klinik Desa (Medical Officer)	Nil	Contractors/Suppliers (Hamid Eng., Zaidan Jaya Ent., Bukit Tongkat Ent.) Surrounding communities (Ladang Benih)

Appendix C: Smallholder Member Details

Not applicable.

Appendix D : Location Map of Belitong Palm Oil Mill and Supply base



Map of FGVPM Bukit Tongkat B Estate



Map of FASSB Ulu Belitong Estate



Appendix E: List of Abbreviations Used

AN	Ammoniacal Nitrogen
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
GMP	Good Manufacturing Practice
HCV	High Conservation Value
IAV	Initial Assessment Visit
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
O&G	Oil and Grease
PK	Palm Kernel
PPE	Personal Protective Equipment
RC	Re-Certification
RED	Renewable Energy Directive
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SS	Suspended Solids
TN	Total Nitrogen
TS	Total Solids
VFA	Volatile Fatty Acids