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PF824 MSPO Public Summary Report Revision 2 (Nov 2021)

MALAYSIAN SUSTAINABLE PALM OIL **MSPO OPMC Public Summary Report** □ Initial Assessment \boxtimes Annual Surveillance Assessment (3) **Recertification Assessment (**Choose an item.)

□ Extension of Scope

FGV HOLDINGS BERHAD

Client Company (HQ) Address: Level 20, West Wisma FGV, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia

> Certification Unit: FGVPISB Wa Ha POM and FGVPM Bukit Aping Selatan Estate

> > Date of Final Report: 14/6/2022

Report prepared by: Mohd Razaleigh bin Mohamad

Report Number: 3511529

Assessment Conducted by:

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MSPO Public Summary Report Revision 2 (Nov 2021)

TABLE of CONTENTS

Page No

| Secti | on 1: Executive Summary |
|-------|--|
| 1.1 | Organizational Information and Contact Person |
| 1.2 | Certification Information |
| 1.3 | Other Certifications4 |
| 1.4 | Location of Certification Unit4 |
| 1.5 | Certified Area4 |
| 1.6 | Plantings & Cycle4 |
| 1.7 | Certified Tonnage of FFB4 |
| 1.8 | Uncertified Tonnage of FFB5 |
| 1.9 | Certified Tonnage |
| 1.10 | Actual Sold Volume (CPO)5 |
| 1.11 | Actual Sold Volume (PK)6 |
| Secti | on 2: Assessment Process7 |
| | 2.1 BSI Assessment Team8 |
| | 2.2 Impartiality and conflict of interest9 |
| | 2.3 Accompanying Persons9 |
| | 2.4 Assessment Plan |
| Secti | on 3: Assessment Findings |
| | 3.1 Details of audit results11 |
| | 3.2 Details of Nonconformities and Opportunity for improvement11 |
| | 3.3 Status of Nonconformities Previously Identified and OFI14 |
| | 3.4 Summary of the Nonconformities and Status18 |
| | 3.5 Issues Raised by Stakeholders18 |
| | 3.6 List of Stakeholders Contacted20 |
| Secti | on 4: Assessment Conclusion and Recommendation |
| Appe | ndix A: Summary of the findings by Principles and Criteria |
| Appe | ndix B: Smallholder Member Details123 |
| Appe | ndix C: Location and Field Map124 |
| Appe | ndix D: List of Abbreviations |

Section 1: Executive Summary

| 1.1 Organizational Information and Contact Person | | | | | |
|---|---|--|-----------|------------|--------------------|
| Company Name | FGV Holdings Berhad | | | | |
| Mill/Estate | Certification Unit MPOB License No. Expiry Date | | | | |
| | FGVPISB Wa Ha POM 500171704000 31/03/2022 | | | | 31/03/2022 |
| | FGVPM Bukit Aping Selatan Estate | | | | 30/06/2022 |
| Address | Plantations Sustainability Dep Laut, 50350 Kuala Lumpur, M | | | West, Wisi | ma FGV, Jalan Raja |
| Management Representative | En Ameer Izyanif Bin Hamzah | | | | |
| Website | https://www.fgvholdings.com E-mail ameer.h@fgvholdings.com | | | | |
| Telephone | +603 2859 1995 | | Facsimile | +603 285 | 9 1311 |

| 1.2 Certification Informa | ation | | | | |
|--|--|---------------|---------------------------------|----------------------|--|
| Certificate Number | Mill: MSPO 693245 Estate: MSPO 693246 | | Certificate Start Date | 22/02/2019 | |
| Date of First Certification | 22/02/2019 | | Certificate Expiry Date | 21/02/2024 | |
| Scope of Certification | ⊠ Mill: Production of | Sustai | nable Palm Oil and Palm Oil | Products | |
| | ⊠ Estate: Production | of Sus | stainable Oil Palm Fruits | | |
| Visit Objectives | The objective of the assessment was to conduct a surveillance assessment and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organization's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organization's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system. | | | | |
| Standard | □ MSPO MS 2530-2: | 2013 - | - General Principles for Indep | pendent Smallholders | |
| | ☑ MSPO MS 2530-3: Organized Smallho | | - General Principles for Oil Pa | alm Plantations and | |
| | ⊠ MSPO MS 2530-4: | 2013 - | - General Principles for Palm | Oil Mills | |
| Stage 1 Date | | 19-20/07/2018 | | | |
| Stage 2 / Initial Assessmen | t Visit Date (IAV) | 16-17/10/2018 | | | |
| Continuous Assessment Vis | it Date (CAV) 1 | 09-10 |)/01/2020 | | |
| Continuous Assessment Visit Date (CAV) 2 | | | 20-21/01/2021 | | |
| Continuous Assessment Vis | it Date (CAV) 3 | 13-14/01/2022 | | | |
| Continuous Assessment Vis | it Date (CAV) 4 | - | | | |

...making excellence a habit." Page 3 of 126

| 1.3 Other Certifications | | | | | | |
|--------------------------|--|---------------------------------|-------------|--|--|--|
| Certificate Number | Standard(s) | Certificate Issued by | Expiry Date | | | |
| RSPO 693243 | RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019; with Supply Chain Mass Balance Module | BSI Services Malaysia Sdn. Bhd. | 21/02/2024 | | | |

| 1.4 Location of Certification Unit | | | | | | |
|---|--|------------------------|------------------|--|--|--|
| Name of the Certification Unit (Palm Oil Mill/ Estate/ | Site Address | GPS Reference of the s | | | | |
| Smallholder/ Independent Smallholder) | Site Address | Latitude | Longitude | | | |
| FGVPISB Wa Ha POM | Kilang Sawit Wa Ha, Jalan Rusa Felda Simpang Wa Ha, 81907 Kota Tinggi, Johor, Malaysia | 1° 47' 44.99" N | 104° 4' 30.00" E | | | |
| FGVPM Bukit Aping Selatan Estate | Pejabat Ladang FGVPM Bukit Aping Selatan, D/A Felda Bukit Waha, 81900 Kota Tinggi, Johor, Malaysia | 1° 45' 18.29" N | 104° 4' 23.99" E | | | |

| 1.5 Certified Area | | | | | | |
|---|---|-------------|-----------------------------------|--------------------|-----------------|--|
| Estate | Total Planted (Mature + Immature) (ha) | HCV (ha) | Infrastructure & Other (ha) | Total Area (ha) | % of Planted | |
| FGVPM Bukit Aping Selatan | 851.96 | - | 696.01 | 1,547.97 | 55.03% | |
| Total (ha) 851.96 - 696.01 1,547.97 | | | | | | |
| Notes: Previous Assessment Report's Total Area of 1,142.65Ha did not include 405.32 ha of Rubber Area. Thus, with the inclusion of the Rubber Area, the actual Total Area is 1,547.97 Ha. | | | | | | |

| 1.6 Plantings & Cycle | | | | | | | |
|------------------------------|-------|--------|------------|---------|---------|--------|----------|
| E-4-4- | | ł | Age (Years |) | | Matura | |
| Estate | 0 - 3 | 4 - 10 | 11 - 20 | 21 - 25 | 26 - 30 | Mature | Immature |
| FGVPM Bukit Aping Selatan | - | 235.96 | 616.00 | - | - | 851.96 | - |
| Total (ha) | - | 235.96 | 616.00 | - | - | 851.96 | - |

| 1.7 Certified Tonnage of FFB | | | |
|------------------------------|-----------|----------------|----------|
| Estato | | Tonnage / year | |
| Estate | Estimated | Actual | Forecast |



| | (Jan 21 - Dec 21) | (Feb 2021 - Dec 2021) | (Jan 22 - Dec 22) |
|------------------------------|-------------------|-----------------------|-------------------|
| FGVPM Bukit Aping Selatan | 17,320.00 | 13,269.72 | 15,000.00 |
| Felda Bukit Waha | | 19,506.99 | 17,000.00 |
| Felda Bukit Easter | | 29,219.32 | 27,000.00 |
| Felda Bukit Aping Timur | - | 26,194.67 | 27,000.00 |
| Felda Bukit Aping Barat | | 21,264.16 | 23,000.00 |
| Felda Simpang Waha | | 29,065.76 | 27,000.00 |
| Total (mt) | 17,320.00 | 138,520.62 | 136,000.00 |

Note: Total FFB received exceed total estimated since Felda settler which is smallholder previously forecast under uncertified supplier.

1.8 Uncertified Tonnage of FFB

| | | Tonnage / year | |
|------------|--------------------------------|---------------------------------|-------------------------------|
| Estate | Estimated (Jan 21 - Dec 21) | Actual (Feb 2021 - Dec 2021) | Forecast (Jan 22 - Dec 22) |
| ABC | - | 23,056.42 | 2,1200.00 |
| Total (mt) | - | 23,056.42 | 2,1200.00 |

1.9 Certified Tonnage

| | Estimated (Jan 21 - Dec 21) | Actual (Feb 2021 - Dec 2021) | Forecast (Jan 22 - Dec 22) |
|------------------|--------------------------------|---------------------------------|-------------------------------|
| Mill Capacity: | FFB | FFB | FFB |
| 45 MT/hr | 17,230.00 | 138,520.62 | 136,000.00 |
| SCC Model: MB | CPO (OER: 21.40%) | CPO (OER: 20.75%) | CPO (OER: 21.79%) |
| | 3,687.22 | 28,743.93 | 29,634.44 |
| | PK (KER: 5.40%) | PK (KER: 5.03%) | PK (KER: 5.25%) |
| | 930.42 | 6,967.58 | 7,140.00 |

Note: Total FFB received exceed total estimated since Felda settler which is smallholder previously forecast under uncertified supplier

| 1.10 Actual Sold Volume (CPO) | | | | | | |
|-------------------------------|----------------|-------------|---------------|--------------|-----------|--|
| | MSPO Certified | Other Schen | nes Certified | Convertional | Total | |
| CPO (mt) | MSPO Certified | ISCC | RSPO | Conventional | Total | |
| 28743.93 | 1,724.19 | - | 2,646.54 | 24,373.20 | 28,743.93 | |



| 1.11 Actual Sold Volume (PK) | | | | | | |
|------------------------------|----------------|-------------|--------------------------------|----------|----------|--|
| DK (mat) | MSPO Certified | Other Schen | Schemes Certified Conventional | | Tatal | |
| PK (mt) | mspo certined | ISCC | RSPO | Total | | |
| 6,967.58 | - | - | 659.61 | 6,307.97 | 6,967.58 | |



Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 13-14/01/2022. The audit programme is included as Section 2.4. The approach to the audit was to treat the FGVPISB Wa Ha POM and FGVPM Bera Selatan Estate a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

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

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

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

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the 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 Section 3.6.

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

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

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer. The following table would be used to identify the locations to be audited each year in the 5year cycle.

| Assessment Program | | | | | |
|---|---------------------------|-------------------|-------------------|-------------------|-------------------|
| Name (Mill / Plantation / Group smallholders) | Year 1 (Certification) | Year 2 (ASA 1) | Year 3 (ASA 2) | Year 4 (ASA 3) | Year 5 (ASA 4) |
| FGVPISB Wa Ha POM | \checkmark | \checkmark | \checkmark | \checkmark | \checkmark |
| FGVPM Bukit Aping Selatan Estate | \checkmark | \checkmark | \checkmark | \checkmark | \checkmark |

Tentative Date of Next Visit: January 13, 2023 – January 14, 2023

Total No. of Mandays: 7

2.1 BSI Assessment Team

| Team Member Name | Role (Team Leader or Team member) | Qualifications (Short description of the team members) | | | |
|---------------------------------|--|--|--|--|--|
| Mohd Razaleigh Mohamad (MRM) | Team Leader | Education: Bachelor's Degree (Scs.) Plantation Management and Agrotechnology from Universiti Teknologi Mara (UiTM). | | | |
| | | Work Experience: He gained his working exposure in the plantation sector, serving as Senior Assistant Manager with Tradewinds Plantation Berhad from 2012 until 2017 and has been doing audit for RSPO P&C, MSPO, Global G.A.P and Organic since 2017 until now. | | | |
| | | Training attended: Completed ISO 9001:2015 (2020), ISO 14001:2015 (2017), ISO 45001:2018 (2021), Endorsed RSPO P&C Lead Auditor Course (2018), Endorsed MSPO P&C Lead Auditor Course (2017), Social Accountability SA8000 (2019), Endorsed RSPO Independent Smallholder (IHS) (2022). | | | |
| | | Aspect covered in this audit: During this assessment, he assessed on the aspects of legal, social, and stakeholder engagement. | | | |
| | | Language proficiency: He is fluent in Bahasa Malaysia and English languages. | | | |
| Amir Bahari (AB) | Team Member | Education: Bachelor of Science (Hons) Chemistry USM 1985 & Diploma in Palm Oil Milling Tech/Management MPOB 1996. | | | |
| | | Work Experience: He has been in the plantations industry for 30 years, among others managing rubber factories, palm oil mills and estates. | | | |
| | | Training attended: Completed ISO 9001, ISO 14001, OHSAS 18001 Auditor course, Endorsed RSPO P&C Lead Auditor Course. He also attended | | | |



PF824

| | HCV Awareness for RSPO/ MSPO auditors on December 2016 and RSPO HCV Audit Guidelines on April 2021. |
|--|--|
| | Aspect covered in this audit: During this assessment, he assessed on the aspects of Environment, HCV and estate best practices. |
| | Language proficiency: He is fluent in Bahasa Malaysia and English. |

2.2 Impartiality and conflict of interest

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

2.3 Accompanying Persons

| No. | Name | Role |
|-----|----------------|------|
| | Not applicable | |

2.4 Assessment Plan

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

| Date | Time | Subjects | MRM | AB |
|---|----------------|--|--------------|--------------|
| 09/01/2022 Sunday | | Auditors travel to Bandar Penawar. | \checkmark | \checkmark |
| 13/01/2022 Thursday FGVPM Bukit Aping Estate | 0900 - 0915 | Opening meeting: Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan (including stakeholder's consultation) | \checkmark | \checkmark |
| | 0900 - 1200 | 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. | | V |
| | 1000 - 1200 | Stakeholder consultations: Client to invite the relevant stakeholders 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. | \checkmark | |
| | 1200 - 1300 | Lunch break | | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| Date | Time | Subjects | MRM | AB |
|---|---|--|--------------|--------------|
| | 1400 - 1630Document 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. | | \checkmark | \checkmark |
| | 1630 - 1700 | Interim closing meeting | \checkmark | \checkmark |
| 14/01/2022 Tuesday FGVPISB Wa Ha POM | 0900 - 1200 | 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. | | \checkmark |
| | 1200 - 1300 | Lunch break | | |
| 1300 - 1630 | | 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. | V | V |
| | 1600 - 1630 | Audit team discussion & preparation for closing meeting | \checkmark | \checkmark |
| | 1630 - 1700 | Closing meeting | \checkmark | \checkmark |
| | 1700 | Auditor travel back to Kuala Lumpur | \checkmark | \checkmark |

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

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

During the assessment there were Two (2) Major & Two (2) Minor nonconformities and Zero (0) OFI raised. The FGVPISB Wa Ha POM Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

| | Non-Conformity Report | | | | |
|--------------------------------|---|---------------------------------------|--|--|--|
| NCR Ref #: | 2155047-202201-M1 | Issue Date: | 14/01/2022 | | |
| Due Date: | 14/03/2022 | Date of Closure: | 12/04/2022 | | |
| Area/Process: | FGVPM Bukit Aping Selatan Estate | Clause & Category: (Major / Minor) | MSPO 2530 Part 3: 4.4.5.9 Major | | |
| Requirements: | Wages and overtime payment regulations and collective agr | • • | slips shall be in line with legal | | |
| Statement of Nonconformity: | Insufficient information stated in the workers' pay slips for contractors. | | | | |
| Objective Evidence: | Sample of pay slips for contractor workers has been taken in FGVPM Bukit Aping Selatan Estate. There is evidence that all contractor provides pay slips to their workers and has been confirmed through interview. However, sighted that some information has not been stated in the pay slips for | | | | |
| | Hudin Enterprise and contradicted with Employment Regulation 1957 requirement. | | | | |
| Corrections: | 1) To appointed New person in charge to handle compliance for documentation on payslips among contractors. | | | | |
| | , . | | ith employment act through eting with contractors every 6 | | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| Root cause analysis: | No enforcement by management in monitoring regarding compliance for documentation on payslips among contractors due to changes person in charge to monitor the issues. | | |
|---------------------------|---|--|--|
| Corrective Actions: | 1) New person in charge to handle compliance for documentation on payslips among contractors. | | |
| | 2) Minute of meeting with Contractors every 6 months to discuss matter related to Employment Contracts. | | |
| Assessment Conclusion: | Newly appointed person in charge sighted in the appointed letter dated 25/01/2022 where Mr Muhammad Rezuan bin Othman, assistant manager of FGVPM Bukit Aping Estate. Meeting with contractor conducted on 03/02/2022 with attendance of 4 contractors to explain on compliance of legal regulations. The corrective action is found to be effectively implemented. | | |
| | Thus, the major NC is closed on 12/04/2022. Continuous implementation will be further verified in the next audit. | | |

| | Non-Conformity Report | | | |
|--------------------------------|---|---|--|--|
| NCR Ref #: | 2155047-202201-M2 | Issue Date: | 14/01/2022 | |
| Due Date: | 14/03/2022 | Date of Closure: | 12/04/2022 | |
| Area/Process: | FGVPM Bukit Aping Selatan Estate | Clause & Category: (Major / Minor) | MSPO 2530 Part 3: 4.3.1.1 Major | |
| Requirements: | All operations are in comp international laws and reg | | cal, state, national and ratified | |
| Statement of Nonconformity: | The management unable contractor workers. | e to monitor compliance o | of legal requirement for the | |
| Objective Evidence: | Perniagaan Safei and Sahi is 10 day including 4 man act clause 60(d) which st public holidays. As stated in the Employ provisions of section 52, 6 employee within the mean on the amount of wages | ran) has been sampled which idatory public holidays. It is ated total public entitled is 1 ees Provident Fund Act 199 every employee and every en ning of this Act shall be liable s at the rate respectively se ence of contribution has been | an Construction Enterprise and stated that total public holiday contradicted with Employment 11 days including 5 mandatory 21 section 43, Subject to the mployer of a person who is an e to pay monthly contributions et out in the Third Schedule. | |
| Corrections: | To appointed New person in charge to handle compliance for Employment Contracts among contractors. Management to ensure all workers in comply with employment act through monthly payroll review for each employee thru meeting with contractors every 6 months. | | | |
| Root cause analysis: | No enforcement by management in monitoring regarding compliance for Employment Contracts among contractors due to changes person in charge to monitor the issues. | | | |
| Corrective Actions: | 1) New person in charge contractors. | e to handle compliance for | Employment Contracts among | |



| | 2) Minute of meeting with Contractors every 6 months to discuss matter related to Employment Contracts. |
|---------------------------|---|
| Assessment Conclusion: | Newly appointed person in charge sighted in the appointed letter dated 25/01/2022 where Mr Muhammad Rezuan bin Othman, assistant manager of FGVPM Bukit Aping Estate. Meeting with contractor conducted on 03/02/2022 with attendance of 4 contractors to explain on compliance of legal regulations. The corrective action is found to be effectively implemented. |
| | Thus, the major NC is closed on 12/04/2022. Continuous implementation will be further verified in the next audit. |

| | Non-Conformity Report | | | | |
|--------------------------------|---|---------------------------------------|------------------------------------|--|--|
| NCR Ref #: | 2155047-202201-N1 | Issue Date: | 14/01/2022 | | |
| Due Date: | Next Surveillance | Date of Closure: | Open | | |
| Area/Process: | FGVPM Bukit Aping Selatan Estate | Clause & Category: (Major / Minor) | MSPO 2530 Part 3: 4.4.2.4 Minor | | |
| Requirements: | Employees and the surro complaints or suggestions c | | ould be made aware that | | |
| Statement of Nonconformity: | Workers unable to demonst | rate their understanding c | on the complaint procedure. | | |
| Objective Evidence: | FGV Holdings Berhad has established internal procedure for resolution any disputes related to women in the document title "Menangani aduan melalui jawatankuasa wanita" document number FGV/ML-1A/L2-Pr14 dated 01/06/2016. Training for the procedure has been done through WhatsApp's group due to pandemic COVID-19 where the PDF file of the procedure has been shared. As per interview with one women worker, auditor found out that the workers are illiterate (writing/reading). The workers unable demonstrates her understanding on the complaint procedure. Concern has been raised on the effectiveness of the training especially for the illiterate parties. | | | | |
| Corrections: | To discuss in KKD meeting for another way to communicate for SOP Menangani aduan melalui jawatankuasa wanita" to suit all workers understanding. To prepare interactive way for communicate SOP Menangani aduan melalui jawatankuasa wanita" to suit all workers understanding. Eg: template with illustration. | | | | |
| Root cause analysis: | Management were not diversified the way of communication on SOP Menangani aduan melalui jawatankuasa wanita" to suit all workers understanding. | | | | |
| Corrective Actions: | a) To discuss in management meeting the way to follow up regarding SOP for "Menangani Aduan dan Rungutan" after training conducted. b) To discuss in KKD meeting for another way to communicate for SOP Menangani aduan melalui jawatankuasa wanita" to suit all workers understanding. c) Monitoring thru Sustainability internal audit & Susutainability Unit (FGVPM & FGVPISB) yearly. | | | | |
| Assessment Conclusion: | All the correction and corrective action were found to be adequate. Effectiveness of the implementation will be confirmed on next assessment visit. | | | | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| | Non-Conformity Report | | |
|--------------------------------|--|--|--|
| NCR Ref #: | 2155047-202201-N2 Issue Date: 14/01/2022 | | |
| Due Date: | Next Surveillance | Date of Closure: | Open |
| Area/Process: | FGVPM Bukit Aping Selatan Estate | Clause & Category: (Major / Minor) | MSPO 2530 Part 4: 4.4.2.4 Minor |
| Requirements: | Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. | | |
| Statement of Nonconformity: | Workers unable to demonstrate their understanding on the complaint procedure. | | |
| Objective Evidence: | As per interview with the workers at FGVPISB Wa Ha POM, 75% of the workers is unable to demonstrate their understanding and awareness related to the complaint procedure. It also has been verified base on the training records for training that has been done 29/11/2021 but not covering all the workers. | | |
| Corrections: | To discuss in management meeting the way to follow up regarding SOP for "Menangani Aduan dan Rungutan" after training conducted. | | |
| Root cause analysis: | Management were not followed up effectiveness after training done on SOP for "Menangani Aduan dan Rungutan". | | |
| Corrective Actions: | a) Minute of management meeting on discussing implementation on SOP "Menangani Aduan dan Rungutan" every year. b) Evidence on understanding/effectiveness after training on SOP "Menangani Aduan dan Rungutan". c) Monitoring thru Sustainability internal audit yearly. | | |
| Assessment Conclusion: | | rrective action were found to be confirmed on next assess | be adequate. Effectiveness of sment visit. |

| Opportunity For Improvement | | | |
|---|--|--|--|
| Ref: Nil Clause: MSPO Part: | | | |
| Area/Process: | | | |
| Objective Evidence: | | | |

| | Noteworthy Positive Comments |
|---|---|
| 1 | Good cooperation from the management team in facilitation the assessment. |
| 2 | Good relationship being maintained with surrounding communities. |

3.3 Status of Nonconformities Previously Identified and OFI

| Non-Conformity Report | | | |
|--|------------|------------------|------------|
| NCR Ref #: 2013452202101-N1 Issue Date: 21/01/2021 | | | |
| Due Date: | 20/01/2022 | Date of Closure: | 13/01/2022 |

MSPO Public Summary Report Revision 2 (Nov 2021)

| Area/Process: | FGVPISB Wa Ha POM | Clause & Category: (Major / Minor) | MSPO 2530 Part 4: 4.4.5.8 Minor | |
|--------------------------------|--|--|------------------------------------|--|
| Requirements: | 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. | | | |
| Statement of Nonconformity: | Sighted overtime was no | Sighted overtime was not followed as per legal regulation. | | |
| Objective Evidence: | Sighted the overtime record for office workers, however found 1 sampling women worker (id: 1212205) have an Overtime until 2215 dated 31/12/2020 without permit from JTK. This action does not comply with Seksyen 34(1) Employment Act 1955 stated protects the rights for working women in Malaysia from working at night. Employers are not allowed to require their women workers to work between 10pm to 5am thus Minor NC been raised. | | | |
| Corrections: | Mill to apply the JTK permit for female work on nightshift. The management should conduct training and provide information on the duties/ responsibilities and required to perform periodically. The management should provide additional work programs according to the estate budget during the low production period. | | | |
| Root cause analysis: | No monitoring and enforcement from Management & person in charge to comply with the legal issues. | | | |
| Corrective Actions: | Letter of Instruction from management to the AM and officers appointed for review & legal changes to ensure that every legal requirement in the legal register is reviewed and fully enforced by periodically every 6 months. The management should conduct training and provide information on the duties/ responsibilities on compliance and legal register. | | | |
| Assessment Conclusion: | 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. Thus, Minor NC was closed. | | | |
| Verification Statement: | The Mill and Estate Management has appointed the Assistants Managers as Person Responsible to monitor the legal compliance in the operating units as per appointment letter dated 10/02/2020. In the appointment letter stated the Job Description of the Person Responsible including to ensure the mill, estate and contractors comply with all legal and requirements applicable. Thus, Minor NC remained closed. | | | |

| Non-Conformity Report | | | |
|-----------------------|--|---------------------------------------|------------------------------------|
| NCR Ref #: | 2013452202101-N2 | Issue Date: | 21/01/2021 |
| Due Date: | 20/01/2022 | Date of Closure: | 13/01/2022 |
| Area/Process: | FGVPISB Wa Ha POM | Clause & Category: (Major / Minor) | MSPO 2530 Part 4: 4.4.4.1 Minor |
| Requirements: | Social impacts should be identified, and plans should be implemented to mitigate the negative impacts and promote the positive ones. | | |

| Statement of Nonconformity: | Social impact plan was inadequate. |
|--------------------------------|--|
| Objective Evidence: | The management plan is last reviewed on 22/2/2018 and is not reviewed before 2 year as stated in the SOP SIA Doc No: FGV/ML-1A/L2-Pr21 Issue 1 dated March 2019. Besides the issued raised during the stakeholder meeting conducted on 20/2/2020 in Bukit Aping Selatan attended by Mill was not incorporated into the management plan as per SOP. |
| Corrections: | Updating and prepare on action plan within 2 years included on issued raised during the stakeholder meeting conducted on 20/2/2020 in Bukit Aping as well. Conducting SIA assessment by year 2021 as per new SIA SOP by Sustainability Officer Training record regarding SOP SIA & implementation |
| Root cause analysis: | No capturing on issued raised during the stakeholder meeting conducted on 20/2/2020 in Bukit Aping as well as no updating new management plan within 2 years as per SOP due to no monitoring from management as no training conducted to person in charge. |
| Corrective Actions: | The management to monitor and discuss this issue in a periodic management meeting |
| Assessment Conclusion: | 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. Thus, Minor NC was closed. |
| Verification Statement: | Verification from current audit |
| | Social impact assessment for FGVPISB Wa Ha POM and FGVPM Bukit Aping Selatan has been conducted and published on January 2021. The assessment has done by sustainability compliance and certification department, group sustainability division, FGV Holdings, Mr Azwan Muhammad and Mr Ahmad Akram Abdul Jalal. There is evidence that the assessment has involved the affected stakeholder such as internal workers (local and foreigner), contractor workers, neighboring estates and communities and FFB supplier. |
| | The outcome for the assessment has been classified into 2 categories (positive and negative). As per conclusion in the assessment mentioned that there is no significant negative impact of POM and estate operation to the stakeholders. It has been confirmed by the auditor through the stakeholder's consultation during the audit. |
| | Management plan for social impact assessment (SIA) for both POM and estates has been established in the document title " <i>Pelan Pengurusan (Management Plan) bagi</i> <i>Impak Sosial (negative)</i> ". However, recommendation by the assessor for the management plan has been attached in the same report. Sample has been taken 2 issues that has been classified as extreme which related domestic waste collection that only been done once a weeks and contractor workers are not aware about public holiday. |
| | There is evidence that social management plan that has been established and implemented for both estate. For domestic waste, the management has purchased more dustbin as short-term plan, and for medium term plan, the management will discuss with the contractor to increase the frequency for rubbish collection. Thus, Minor NC remained closed. |

| Non-Conformity Report | | | |
|--------------------------------|--|--|--|
| NCR Ref #: | 2013452202101-N3 | Issue Date: | 21/01/2021 |
| Due Date: | 20/01/2022 | Date of Closure: | 13/01/2022 |
| Area/Process: | FGVPISB Wa Ha POM | Clause & Category: (Major / Minor) | MSPO 2530 Part 3: 4.4.1.1 Minor |
| Requirements: | Social impacts should be id the negative impacts and p | | be implemented to mitigate |
| Statement of Nonconformity: | Social impact plan was inad | equate. | |
| Objective Evidence: | The management plan is last reviewed on 22/2/2018 and is not reviewed before 2 year as stated in the SOP SIA Doc No: FGV/ML-1A/L2-Pr21 Issue 1 dated March 2019. Besides the issued raised during the stakeholder meeting conducted on 20/2/2020 in Bukit Aping Selatan attended by Mill was not incorporated into the management plan as per SOP. | | |
| Corrections: | Updating and prepare on action plan within 2 years included on issued raised during the stakeholder meeting conducted on 20/2/2020 in Bukit Aping as well. Conducting SIA assessment by year 2021 as per new SIA SOP by Sustainability Officer. Training record regarding SOP SIA & implementation. | | |
| Root cause analysis: | No capturing on issued raised during the stakeholder meeting conducted on 20/2/2020 in Bukit Aping as well as no updating new management plan within 2 years as per SOP due to no monitoring from management as no training conducted to person in charge. | | |
| Corrective Actions: | The management to monitor and discuss this issue in a periodic management meeting. | | |
| Assessment Conclusion: | 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. Thus, Minor NC was closed. | | |
| Verification Statement: | Social impact assessment for FGVPISB Wa Ha POM and FGVPM Bukit Aping Selatan has been conducted and published on January 2021. The assessment has done by sustainability compliance and certification department, group sustainability division, FGV Holdings, Mr Azwan Muhammad and Mr Ahmad Akram Abdul Jalal. There is evidence that the assessment has involved the affected stakeholder such as internal workers (local and foreigner), contractor workers, neighboring estates and communities and FFB supplier. | | |
| | negative). As per conclus significant negative impact of been confirmed by the auc audit. Management plan for social been established in the doc | ion in the assessment of POM and estate operati litor through the stakehol impact assessment (SIA) ument title "Pelan Penguru | nto 2 categories (positive and mentioned that there is no on to the stakeholders. It has der's consultation during the for both POM and estates has usan (Management Plan) bagi on by the assessor for the |



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| management plan has been attached in the same report. Sample has been taken 2 issues that has been classified as extreme which related domestic waste collection that only been done once a weeks and contractor workers are not aware about public holiday. |
|--|
| There is evidence that social management plan that has been established and implemented for both estate. For domestic waste, the management has purchased more dustbin as short-term plan, and for medium term plan, the management will discuss with the contractor to increase the frequency for rubbish collection. Thus, Minor NC remained closed. |

| Opportunity For Improvement | | | |
|-----------------------------|--------------------------------|--|--|
| Ref: | Vil Clause: MSPO Part: | | |
| Area/Process: | | | |
| Objective Evidence: | | | |
| Verification Statement: | | | |

3.4 Summary of the Nonconformities and Status

| CAR Ref. | Clause & Category (Major / Minor) | Issued Date | Status & Date (Closure) |
|-------------------|--------------------------------------|-------------|-------------------------|
| 1697126-201804-M1 | Major | 17/10/2018 | Closed on 28/12/2018 |
| 1871673-202001-M1 | Major | 10/01/2020 | Closed on 30/03/2020 |
| 2013452-202101-N1 | Minor | 21/01/2021 | Closed on 14/01/2022 |
| 2013452-202101-N2 | Minor | 21/01/2021 | Closed on 14/01/2022 |
| 2013452-202101-N3 | Minor | 21/01/2021 | Closed on 14/01/2022 |
| 2155047-202201-M1 | Major | 14/01/2022 | Closed on 12/04/2022 |
| 2155047-202201-M2 | Major | 14/01/2022 | Closed on 12/04/2022 |
| 2155047-202201-N1 | Minor | 14/01/2022 | Open |
| 2155047-202201-N2 | Minor | 14/01/2022 | Open |

3.5 Issues Raised by Stakeholders

| IS # | Description |
|------|--|
| 1 | Issues: All stakeholders |
| | Most of the stakeholders responded that both FGVPISB Wa Ha POM and FGVPM Bukit Aping Selatan Estate maintain good relationship with that stakeholders. |
| | Management Responses: |
| | The management of both POM and estate will try to maintain good relationship with all stakeholder and will identify any potential cooperation and contribution to the community. |

| | Audit Team Findings: No further verification required. | | |
|---|--|--|--|
| | | | |
| 2 | Issues: Local and foreign workers There are some stakeholders respond that they are not aware about complaint procedure for both FGVPISB Wa Ha POM and FGVPM Bukit Aping Selatan Estate. | | |
| | Management Responses: | | |
| | Training and communication of the procedure has been done by both POM and estates and need to be further improved to ensure the effectiveness of the communication and assessment of the understanding. | | |
| | Audit Team Findings: | | |
| | As per interview with the workers at FGVPISB Wa Ha POM, 75% of the workers is unable to demonstrate their understanding and awareness related to the complaint procedure. It also has been verified base on the training records for training that has been done 29/11/2021 but not covering all the workers. | | |
| | FGV Holdings Berhad has established internal procedure for resolution any disputes related to women in the document title "Menangani aduan melalui jawatankuasa wanita" document number FGV/ML- 1A/L2Pr14 dated 01/06/2016. Training for the procedure has been done through WhatsApp's group due to pandemic COVID-19 where the PDF file of the procedure has been shared. As per interview with one women worker, auditor found out that the workers are illiterate (writing/reading). The workers unable demonstrates her understanding on the complaint procedure. Concern has been raised on the effectiveness of the training especially for the illiterate parties. A Critical Nonconformity has been raised on this matter during the assessment. | | |
| 3 | FFB supplier (Pineapply Camey Sdn Bhd (FIMA), Wan Lee Hen, Felda Technoplant- FELDA Bukit Waha Issues: | | |
| | There were no negative issues highlighted by the FFB suppliers, where the process of delivering, receiving and pricing and has been explained by the management of POM. Mentioned also that payment has been done accordingly as per contract agreement and stakeholders can demonstrate their understanding on how it is being calculated. | | |
| | Management Responses: | | |
| | Will maintain current practices and will try to improve for any potential. | | |
| | Audit Team Findings: | | |
| | No further verification required. | | |
| 4 | Headmaster Sekolah Kebangsaan Bandar Easter | | |
| | Issues: | | |
| | There were no negative issues highlighted by the Sekolah kebangsaan Bandar Easter where estimated around 75% of FGVPISB Wa Ha POM and FGV Bukit Aping Selatan kids studied in that school. Currently contribution has been received such as donation, grass cutting and equipment for event. | | |
| | Management Responses: | | |
| | Will maintain current practices and will try to improve for any potential. | | |
| | Audit Team Findings: | | |
| | | | |

3.6 List of Stakeholders Contacted

| Government Officer: | Community/neighbouring village: |
|---|---|
| Headmaster Sekolah Kebangsaan Bandar Easter | Head of village, FELDA Bukit Waha |
| | |
| | |
| Suppliers/Contractors/Vendors: | Worker's Representative/Gender Committee: |
| Perniagaan Safei & Safran | Permanent workers (Local and foreigner |
| Pineapply Camey Sdn Bhd (FIMA) | Chairman of workers union – FGVPISB Wa Ha POM |
| Wan Lee Hen | Contractor's workers |
| Felda Technoplant - FELDA Bukit Waha | Gender committee - Representatives |

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings

Based on the findings during the assessment FGVPISB Wa Ha POM and supply bases Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of FGVPISB Wa Ha POM and FGV Bukit Aping Selatan Certification Unit is continued.

| Acknowledgement of Assessment Findings | Report Prepared by |
|--|-------------------------------|
| Name: | Name: |
| Norolsaiful Hazri Bin Hamid | Mohd Razaleigh bin Mohamad |
| Company Name: | Company name: |
| FGV Holdings Berhad | BSI Services Malaysia Sdn Bhd |
| Title: | Title: |
| Sustainability Manager | Client Manager |
| Signature: | Signature: |
| hestunid | Sol. |
| Date: 09/05/2022 | Date: 22/04/2022 |



Appendix A: Summary of the findings by Principles and Criteria

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

| | Criterion / Indicator | Assessment Findings | Compliance | |
|----------|--|---|------------|--|
| 4.1 Prin | ciple 1: Management commitment & responsibility | | | |
| Criterio | n 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 - | There is evidence that policy for the implementation of MSPO has been established and documented in the document title "Group Sustainability Policy", Policy No: FGV/SED/POL/001 rev 4.0 dated 17/11/2020 has includes the MSPO implementation is established and publicly available. | Complied | |
| 4.1.1.2 | The policy shall also emphasize commitment to continual improvement. - Major compliance - | Stated in the "Group Sustainability Policy" that the management is of FGV Holdings Berhad is committed for continuous improvement. Any issues and non-compliance of the policy, identification of the root cause and correction will be established. | Complied | |
| Criterio | Criterion 4.1.2 – Internal Audit | | | |
| 4.1.2.1 | Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance - | As per stated in the audit procedure, frequency of the audit will be done at least once year and there is evidence that internal audit plan has been submitted to estate by Mr Muhammad Shafiq Ariffin from SCCS, GSD, FGV Holdings Berhad. The internal audit has been conducted from 20-25/09/2021 by Mr Hilmie Zalfruez Bin Bakhari. | Complied | |
| 4.1.2.2 | The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to | | Complied | |

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| | Criterion / Indicator | Assessment Findings | Compliance | |
|-------------------------------------|---|--|------------|--|
| | implement the necessary corrective action Major compliance - | available in the document title "Checklist Intergrasi Audit Dalaman Pensijilan Kelestarian 2020" that has been prepared by Mr Hilmie Zalfruez Bin Bakhari and has been signed accepted by the estate manager, Mr Mahadi bin Ab Ghani. Total 4 Major Nonconformities has been raised during the for workers union meeting, gender committee meeting, list of first aider and compressor licenses. | | |
| | | Identification of root cause and corrective action has been done and documented in the document title "Pelan tindakan untuk ketidakpatuhan integrasi audit dalaman pensijilan kelestarian 2020" | | |
| 4.1.2.3 | Report shall be made available to the management for their review. - Major compliance - | There is evidence of internal audit report has been made available in the document title "Checklist Intergrasi Audit Dalaman Pensijilan Kelestarian 2020" that has been prepared by Mr Zulhilmie Zalfruez Bin Bakhari and has been signed accepted by the estate manager, Mr Mahadi bin Ab Ghani. Total 4 Major Non-conformities have been raised during the for workers union meeting, gender committee meeting, list of first aider and compressor licences. | 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 meeting has been done twice in year 2021 which are 24/03/2021 and 27/10/2021 and has been attended by all the management representative. Issues that has been discussed during the management review meeting is internal audit findings, current issues that has been highlighted by stakeholders. | Complied | |



| | Criterion / Indicator | Assessment Findings Co | Compliance |
|----------|---|---|------------|
| Criterio | n 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 - | | 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 - | the main daily operation of the estate. The existing practice being | 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 - | | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| | | Dissemination of information by the RC office and SCCD are transacted during the monthly Managers meetings and emails. | |
| 4.2 Prin | ciple 2: Transparency | | |
| Criterio | n 4.2.1 – Transparency of information and documents releva | nt to MSPO requirements | |
| 4.2.1.1 | The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance - | Memo for FGVPM Bukit Aping Selatan Estate, memo has been sent to all stakeholders on 11/01/2021. List of documents that made publicly available as below: a. Land title b. OSH plan c. Environmental and social management plan d. SEIA report e. HCV report f. Complaint and grievance procedure g. Land dispute procedure h. Policies such as Human Rights and Group Sustainability Besides, documents such as company's policies, Supplier Code of Conduct and grievance procedure is accessible by the stakeholders via www.fgvholdings.com/sustainability/ | Complied |
| 4.2.1.2 | Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance - | List of documents that made publicly available as below:a. Land titleb. OSH planc. Environmental and social management pland. SEIA report | Complied |

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| | Criterion / Indicator | Assessment Findings | Compliance |
|-----------|---|--|------------|
| Criterior | 1 4.2.2 – Transparent method of communication and consult | e. HCV report f. Complaint and grievance procedure g. Land dispute procedure h. Policies such as Human Rights and Group Sustainability | |
| 4.2.2.1 | Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance - | Procedure for consultation and communication has been documented in the document title "Komunikasi, penglibatan, dan rundingan" document number FGV/FGVPM/II/IMS/15/006. | Complied |
| 4.2.2.2 | A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance - | Mr Khamis bin Abu Samah has been appointed as person that responsible for communication and consultation as per appointment letter in document (04) RSPO/P6/2021. | 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 - | | Complied |
| Criterior | 1 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). | An SOP on ttraceability titled <i>Standard Operating Procedure for Mill - Traceability</i> has been established with ref no SOP: MLSL(Ed2)-Sec 4(8) dated 01/06/2012. Therein describing information of: | Complied |
| | - Major compliance - | a) Person in charge En Khamis Abu Samah - Assistant Manager has been appointed via letter dated 01/2/2021 issued by the Estate Manager. | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|---|--|------------|
| | | b) FFB flow chart from estate harvesting designated block to mill weighbridge (tickets). The mill processing records the total FFB processed for the day and the storage tank no being stored. The records include opening FFB balances in ramp and cages plus the FFB intake from the estates for the day less the closing FFB balances will provide the total processed. c) The despatch oil from the storage tank follows a similar formula opening stock plus production less the despatch volume will give a closing stock for the day record. d) All records of CPO tank sounding are recorded during the 2 shifts operations. | |
| 4.2.3.2 | The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance - | The estate monitors the despatch to the mill on daily basis to tally and tracking the volume harvesting and tonnage despatch to the mill. Factors on the FFB balances in the fields are accounted for in the process. | Complied |
| 4.2.3.3 | The management should identify and assign suitable employees to implement and maintain the traceability system Minor compliance - | The Person in charge En Khamis Abu Samah an Assistant Manager has been appointed via letter dated 01/02/2021 issued by the Estate Manager. The appointed letter was sighted and verified. | Complied |



MSPO Public Summary Report

Revision 2 (Nov 2021)

| 4.2.3.4 Records of sales, delivery or transportation of FFB shall be maintained. The FFB weighbridge ticket/despatch note is produced for all transaction to Wa Ha POM. The set of documents among others consists of the following information: Complied • Major compliance - Date / D/O no / Quantity / w/bridge operator name - Total Bunches / Quality / field no • Date / D/O no / Guantity / w/bridge operator name - Total Bunches / Quality / field no - • Dele / D/O no / field no / no of bunches / tractor no. c) Dele/ velopity Note - Date / weight / w/bridge operator / MPOB licence no. - • Grading report for the FFB consignment The following was sampled with details shown below: - - Date / Pass no Lorry no D/N no mt 1 11/1/22 2320 VGM 7846 116192 6.91 - 111/1/22 2320 VGM 7847 116193 4.23 - 111/1/22 2306 VGA 8479 116193 5.26 - 111/1/22 2306 VGA 84 | maintained. | transaction to Wa Ha POM. The set of documents among others consists of the following information: a) Weighbridge ticket Date / D/O no / Quantity / w/bridge operator name |
|--|-------------|--|
| | | Serial no / field no / no of bunches / tractor no. c) Delivery Note Date/ weight / w/bridge operator / MPOB licence no. d) Grading report for the FFB consignment The following was sampled with details shown below: Date Pass no Lorry no D/N no mt 1 11/1/22 2325 VGM 7846 116192 6.91 2 11/1/22 2343 VGD 6296 116200 5.87 3 11/1/22 2380 WXV 2785 116193 4.23 4 11/1/22 2874 VGA 8479 116196 5.05 |



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|---|----------------------------|
| 4.3.1.1 | All operations are in compliance with the applicable local, state, national and ratified international laws and regulations Major compliance - | A mechanism to ensure compliance to legal and other requirement has been documented in Manual Lestari established from the Head Office level. a) The Legal Department will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. b) Thereafter the estates and mill where applicable will be notified via email on the changes/update of LORR for implementation. Licenses/permit viewed as complied by the mill for the legislative requirement among others viewed were as follows. <u>Licence/permit</u> Validity Period <u>1 KPDNKK - JOO5986 Diesel 200 L Petrol 100L</u> 22/05/2022 <u>2 MPOB licence 616-0400-2000</u> 31/12/2022 <u>3 JTK - Permit Pemotongan Gaji ref PP2/34/99</u> 01/7/2006 <u>4 Lesen SSM ref 974143 - H</u> 18/12/2018 <u>5 Weighbridge - Metrology Corporation ref</u> 25/04/2021 <u>8940</u> 2 employment contracts for contractor's workers (Vasan Construction Enterprise and Perniagaan Safei and Sahran) has been sampled which stated that total public holiday is 10 day including 4 mandatory public holidays. It is contradicted with Employment act clause 60(d) which stated total public entitled is 11 days including 5 mandatory public holidays. As stated in the Employees Provident Fund Act 1991 section 43, Subject to the provisions of section 52, every employee and every employer of a person who is an employee within the meaning of this | Major non- conformities |

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| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|--|------------|
| | | Act shall be liable to pay monthly contributions on the amount of wages at the rate respectively set out in the Third Schedule. However, there is no evidence of contribution has been made for 2 contractors (Hudin Enterprise and Vasan Enterprise). | |
| | | Thus, Major non-conformities have been raised. | |
| 4.3.1.2 | The management shall list all laws applicable to their operations in a legal requirement register. - Major compliance - | The documented legal register with written information on legal requirements applicable to the estate operation is available. The record titled " <i>Senarai Rujukan Akta Dan Berdaftar Perundangan"</i> issued by the SCCD last dated 20/08/2021. Head Office is responsible to track changes in the law and the information was disseminated to all its plantations and mills. The identified legal among others includes: | Complied |
| | | a) Pesticides Act 1974 and Regulations | |
| | | b) Environmental Quality Act and Regulations 1974 | |
| | | c) Factories and Machinery Act and Regulations, 1967 | |
| | | d) Weights and Measures Regulations 1981 | |
| | | e) Electricity Regulations 1994 | |
| | | f) Immigration Act 1959 | |
| | | g) Occupational Safety and Health Act 1994 | |
| | | h) Employment Act 1955 | |
| | | i) Industrial Relations Act 1967 | |
| | | j) Children and Young Persons (Employment) Act 1966 | |
| | | k) MPOB Regulations (Licensing) 2005, EQ (Prescribed Premise) (Crude Palm Oil) Regulations 1977 | |
| | | I) Industrial Code of Practice for Confined Space 2010 | |
| | | m) MPOB licensing Regulation 2005 | |



| | Criterion / Indicator | Assessment Findings | Compliance | |
|----------|---|---|------------|--|
| | | n) Akta Polis 1967 o) Akta Pencegahan Dan Pengawalan Penyakit Berjangkit 1988 p) Akta Std Min Perumahan Dan Kemudahan Pekerja 2019 (Pindaan) q) Perintah Gaji Minima 2020 | | |
| 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 - | | Complied | |
| 4.3.1.4 | The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance - | Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. This correspondence was sighted via an email issued from Head Office for the operating units to update and comply where applicable. The PIC for the legal matters for the estate is En Khamis Abu Samah - an Assistant Manager appointed via letter dated 01/2/2021 issued by the Estate Manager. | Complied | |
| Criterio | Criterion 4.3.2 – Lands use rights | | | |
| 4.3.2.1 | The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance - | The estate operates on a legal land use rights and possessed a legal land title with details as described in 4.3.2.2. There are no disputes or claim on the legal acquisition of the land title. This is based on the interviews and the stakeholder's feedback. | Complied | |



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|-----------|---|---|----------------|
| 4.3.2.2 | The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance - | | Complied |
| 4.3.2.3 | Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance - | , | 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 are no disputes or claim on the legal acquisition of the land title. This is based on the interviews and the stakeholders' feedback. | Not applicable |
| Criterior | 1 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 - | Assessment team has verified that to date, there has been no land encumbered by customary rights. | Not applicable |



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance | |
|----------|--|--|----------------|--|
| 4.3.3.2 | Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance - | Assessment team has verified that to date, there has been no land encumbered by customary rights. | Not applicable | |
| 4.3.3.3 | Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance - | Assessment team has verified that to date, there has been no land encumbered by customary rights. | Not applicable | |
| 4.4 Prin | ciple 4: Social responsibility, health, safety and emplo | oyment condition | | |
| Criterio | Criterion 4.4.1: Social Impact Assessment (SIA) | | | |
| 4.4.1.1 | Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones Minor compliance - | Social impact assessment for FGVPISB Wa Ha POM and FGVPM Bukit Aping Selatan has been conducted and published on January 2021. The assessment has done by sustainability compliance and certification department, group sustainability division, FGV Holdings, Mr Azwan Muhammad and Mr Ahmad Akram Abdul Jalal. There is evidence that the assessment has involved the affected stakeholder such as internal workers (local and foreigner), contractor workers, neighbouring estates and communities and FFB supplier. | Complied | |
| | | The outcome for the assessment has been classified into 2 categories (positive and negative). As per conclusion in the assessment mentioned that there is no significant negative impact of POM and estate operation to the stakeholders. It has been confirmed by the auditor through the stakeholder's consultation during the audit. | | |
| | | Management plan for social impact assessment (SIA) for both POM and estates has been established in the document title " <i>Pelan</i> <i>Pengurusan (Management Plan) bagi Impak Sosial (negative).</i> " | | |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|---|------------|
| | | However, recommendation by the assessor for the management plan has been attached in the same report. Sample has been taken 2 issues that has been classified as extreme which related domestic waste collection that only been done once a weeks and contractor workers are not aware about public holiday. | |
| Criterio | Criterion 4.4.2: Complaints and grievances | | |
| 4.4.2.1 | A system for dealing with complaints and grievances shall be established and documented. - Major compliance - | Complaint procedure has been established by FGV Holdings Berhad and has been documented in the document number FGV/ML-1A/L2- Pr13 title "Menangani aduan dan rungutan" dated 01/04/2019. The complaints will be solved in 14 days (first stage), 14 days (second stage). The complaint must be resolved within 2 months from the date of discussion in third stage. While for women, there is specific procedure has been established and documented in the document number ML-1A/L2-PR10(1) dated 22/05/2015. Besides, whistleblowing e-form was available in https://www.fgvholdings.com/whistleblowing/ for the stakeholders to report a grievance. | Complied |
| 4.4.2.2 | The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance - | Complaint procedure has been established by FGV Holdings Berhad and has been documented in the document number FGV/ML-1A/L2- Pr13 title "Menangani aduan dan rungutan" dated 01/04/2019. The complaints will be solved in 14 days (first stage), 14 days (second stage). The complaint must be resolved within 2 months from the date of discussion in third stage. It has been confirmed through interview that any grievances that has been lodged will be responded base on the timeline that has been set. | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|--|----------------------------|
| | | Sample has been taken for 2 complaint from workers for house repairing. a. 13/02/2021, sink leakage and responded on 24/02/2020 b. 14/11/2021, lamp replacement and responded 15/11/2021 | |
| 4.4.2.3 | A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance - | A complaint form and box has been made available in front of the office for estate. All workers and stakeholders can directly make any complaint through the complaint box. | Complied |
| 4.4.2.4 | Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance - | There is evidence that the management for FGVPM Bukit Aping Selatan has conducted training for complaint procedure for both workers and stakeholders. It has been verified base on training records during the muster call dated 11/03/2021 for all the workers. While for stakeholders, memos have been sent to all stakeholders due to COVID- 19. It also has been confirmed through interview with the workers and stakeholders. Training for the procedure for women workers has been done through WhatsApp's group for gender committee due to pandemic COVID-19 where the PDF file of the procedure has been shared. As per interview with one women worker, auditor found out that the workers are illiterate (writing/reading). The workers unable demonstrates her understanding on the complaint procedure. Concern has been raised on the effectiveness of the training especially for the illiterate parties. Thus, minor non-conformities have been raised. | Minor non- conformities |
| 4.4.2.5 | Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. | As per complaint records logbook, there is evidence that complaint and resolutions for that last 24 months has been maintained. Sample has been taken for complaint that has been made on 23/12/2020. | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|---|---|------------|
| | - Major compliance - | | |
| Criterio | n 4.4.3: Commitment to contribute to local sustainable devel | opment | |
| 4.4.3.1 | Growers should contribute to local development in consultation with the local communities Minor compliance - | Contribution has been made by both POM and estate to the local communities and has been recorded. Sample has been taken for donation of food basket for those that has been quarantine due to COVID-19. It has been verified base on memo that has issued by Divisional Head, Plantation department. Other than that, the company will gratitude for those family members that died due to COVID-19. | Complied |
| Criterio | 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 - | The Group Occupational Safety & Health Management Policy had been established and implemented as follows: 'Pernyataan Polisi Kesihatan dan Kesihatan Keselamatan signed by CEO dated 05/11/21". Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees & contractors & visitors. The Policy is implemented among others through the OSH activities by the on-site Safety Health Officers and monitored by OSH/Plantations Sustainability Department from Head Office. | Complied |
| 4.4.4.2 | The occupational safety and health plan shall cover the following:a) A safety and health policy, which is communicated and implemented.b) The risks of all operations shall be assessed and documented. | a) Briefings to employees are made through weekly briefing and ad- hoc basis through the field staff/Executives. Subjects among others include safety policies, fields operations, road safety, zero harm, and precautionary measures, dialogue. Content includes among others to prioritise safety, execute work safely, adhere all safety rules and regulations and to target zero accident. Apart from | Complied |

MSPO Public Summary Report Revision 2 (Nov 2021)

| Criterion / Indicator | Assessment Findings | Compliance |
|---|--|------------|
| c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied | specific session, safety policy and targets were available on display board printed in both English & Bahasa Malaysia.b) HIRARC for the estate are available formalized in 2008 and reviewed annually or during an incidence's requirement. All the main activities were covered. Details of common estate activities as shown below. | |
| d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. 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. 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. h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. | No Activity No Activity 1 Office 9 Pruning & harvesting 2 Replanting 10 EFB application 3 Pest & Disease 11 Fertiliser application 4 Weeding 12 Palm Mounding 5 Rat Baiting 13 Waste management 6 SW storage 14 Circle raking 7 Road maintenance 15 Grass cutting 8 Upkeep housing 16 Motorcycle riding c) The estate provides training to the workers and staff exposed to pesticides and chemicals. Details as available in 4.4.6.1 (training and competency). OSH programs are also included. Common programs are initiated from HQ level e.g. OSH meeting, workplace inspection, inspection on PPE, training on MSPO/RSPO etc. d) The estates provide PPE to the employees such as apron, safety helmets, safety shoes relevant to the work handled by the workers. During the site visit workers were observed to be in PPE. PPE items includes the following: Mask / Nitrile gloves Dupont apron / Goggles | |


| Criterion / Indicator | Assessment Findings | Compliance |
|--|---|------------|
| 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. j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals. - Major compliance – | iii. Vest / Safety helmets iii. Vest / Safety helmets e) The estate had established SOP for chemical handling and documented is available in the following document. i. Manual Ladang Sawit Lestari Prosedure Kerja Selamat ii. Manual Sustainability Prosedur Kerja Selamat Prosedur membancuh Racun di PREMIX Pengendalian Bahan Kimia f) The Estate Manager is appointed as the Chairman of the ESH committee via letter signed by the Regional Controller dated 02/1/2021. The Manager subsequently assigned duties of ESH coordinator to the Assistant/Staff for the down line implementation of ESH practices in the estate. All identified personnel were officially given a letter for such an appointment. g) The estate management conducts regular two-way | Compliance |
| | communication with their employees through the quarterly ESH meeting. The dates of meeting held by the estate are recorded below. Chairman letter appointment was dated 20/07/20 signed by the General Manager - Wilayah Mersing. | |
| | Date Attendee Date Attendee 1 21/12/21 12 3 15/6/21 9 2 28/9/21 12 4 16/03/21 11 | |

PF824 **MSPO Public Summary Report** Revision 2 (Nov 2021)

| Criterion / Indicator | Assessment Findings | Compliance |
|-----------------------|--|------------|
| | The minutes of meeting randomly were sighted and verified. Workers during the meeting participated in the discussion mainly on housing and safety. All units adopted the agenda as released SCCD. This agenda list was sighted and adequate to discuss salient issues relating safety, environmental and health. The agenda as discussed during the meeting among others includes the following: <i>i. Lapuran Pemakaian PPE</i> <i>ii. Lapuran Prestasi ESH/Kesihatan</i> <i>iii. Lapuran LatIhan & SOP/HIRARC</i> <i>iv. Lapuran Pematuhan Undang-Undang</i> <i>v. Lapuran Kemalangan Region</i> <i>vi. Lapuran Kesihatan & Kawasan Perumahan</i> <i>viii. Lapuran Bahan Buangan Terjadual/Isu Alam Sekitar</i> | |
| | h) The aaccident and emergency procedures are available. There was formation of ERP Team & ERP for all the identified incidences. The organisation chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. ERT are initiated for fire & flood, chemical spillage. Procedures guidelines were produced by SCCD and amended to tailor to the situation differences in the estate. i) The estate trained their nominated employees for First Aid mainly for those involved in the field operations. A First Aid Kit equipped | |

| | Criterion / Indicator | Assessment Findings Co | ompliance |
|-----------|--|--|-----------|
| | | with approved 16 items is available and replenished on a weekly basis. Distribution of the 1 st Aid Kit for the estate are made at the following places/ personnel such as Office/ AP Post/ Chemical Store/ Fertiliser Store/ Workshop/ Field staff/ Mandores. The boxes kept by the mandore were sighted during the field visit. Regular briefing to the 1 st Aid Kit holders on the management of the content and usage. j) Records of all accidents are kept in the estate for a min of 10 years. Accident incidences if any are reviewed during safety meetings. DOSH submission JKKKP 8 was compiled under the legislative requirement. The estate recorded NIL incidence in 2020 and 2021. Cases LTI Non LTI JKKP 8 submission | |
| Criterior | 4.4.5: Employment conditions | | |
| 4.4.5.1 | The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees. | FGV Holdings Berhad has documented on good social practices policy in the Group Sustainability Policy, approved by the Board of Directors dated 17/11/2020. Refer policy no. FGV/SED/POL/001, rev. 4.0. and has been communicated on 10/12/2021. | Complied |
| 4.4.5.2 | The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. | | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|---|------------|
| 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 - | For FGVPM Bukit Aping Selatan Estate, conditions of pay are contained in the Collective Agreement signed between FGV Plantations (Malaysia) Sdn. Bhd. and Workers' Union FGV Plantations (Malaysia) Sdn. Bhd. Semenanjung valid from 1/1/2019 to 31/12/2021. Total 8 samples of workers have been selected and confirm that all workers have been paid base on legal requirement and collective agreement. Details as per below a. Workers ID#LW06670016 b. Workers ID#FW06680167 c. Workers ID#FW06680062 d. Workers ID#FW06680079 | 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 - | For non-unionized workers, their conditions of employment are detailed out in their employment contracts. The contracts were prepared in Bahasa Malaysia for the local and Indonesian workers, and in Bengali for the Bangladeshi workers, and they confirmed that the terms were explained to them by a management official. The employment contracts contain contract duration, type of work, annual leave, public holidays, medical leave, termination, location, working hours, wages, (payment of wages based on Kadar Upah Kerja Pekerja Pentadbiran dan Operasi Ladang Bagi Pekerja Ladang FGVPMSB (KUK Bil 06 Mulai 01 Januari 2019) and based on the Minimum Wages Order 2020. | Complied |
| 4.4.5.5 | The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. | There is master file document for all workers with all information as per records of 0668-Bukit Aping Selatan Labour Employment Report. | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|---|----------------------------|
| | - Major compliance - | | |
| 4.4.5.6 | All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. - Major compliance - | Total 8 samples of workers have been selected and confirm that all workers have been provided with fair contract which has been translated into the workers origin languages. There is also evidence that the contract has been signed by parties. Details as per below: a. Workers ID#LW06670016 b. Workers ID#FW06680167 c. Workers ID#FW06680062 d. Workers ID#FW06680079 | Complied |
| 4.4.5.7 | The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance - | There is evidence that time recording system for estates has been established through the checkroll book that has been monitored by the field supervisor. For overtime, it has been recorded in document title "Rekod kerja lebih masa" and for work on rest day and public holiday it has been recorded in the document title "Borang arahan/ kebenaran kerja lebih masa, kerja pada hari cuti rehat dan kerja pada hari cuti umum". Sample has been taken for month March, July and November 2021. | Complied |
| 4.4.5.8 | The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance - | There is evidence that working hours and breaks for all workers that indicate in document mentioned in indicator 4.4.5.7 is comply with legal regulation and collection agreement. There is also evidence that overtime has been paid accordingly. It has been confirmed through interview with the workers. | Complied |
| 4.4.5.9 | Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. | Wages and overtime payment have been documented in the pay slips and has been verified base on 8 sample of workers which detailing all the payment been made for all works done including overtime and | Major Non- Conformities |



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| | - Major compliance - | piece rate works. Stated in the pay slips employees and employer's deduction and total days works. However, sighted that some information has not been stated in the pay slips for Hudin Enterprise and contradicted with Employment Regulation 1957 requirement. Thus, Major non-conformities have been raised. | |
| 4.4.5.10 | Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance - | The company provides free medical benefit of RM 200/year, free housing and subsidized water and electric supply to foreign workers. | 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 - | There is evidence that housing quarters for workers has been properly maintained by the management and has been verified habitable and comply with Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446). Housing inspection has been done on weekly basis where has been done by workers relations officer, Mr Muhammad Hafiz. | Complied |
| 4.4.5.12 | The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance - | FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where no person shall be subjected to any discrimination in employment, including hiring, compensation, advancement, training, disciplinary action, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, gender identity, nationality, political opinion, social group, ethnic origin, reproductive rights or other forms of discrimination. Briefing of the policy was conducted on 20/09/2021 in FGVPISB Wa Ha POM and 10/12/2021 in FGVPM Bukit Aping Selatan Estate. | Complied |



| Criterion / Indicator | Assessment Findings | Compliance |
|--|---|--|
| 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. - Major compliance - | FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where FGV Group recognises and respects employees' right to freedom of association and to collective bargaining. Communication on the policy has been done by the management of FGVPM Bukit Aping Selatan Estate on 20/06/2021 and 10/12/201 with attendance staff and workers. Minutes meeting between FGVPM Bukit Aping Selatan and the union has been done on 02/01/2020 documented with attendance of all workers representative (Local, Indonesia, Bangladesh, India and Women). Management plan for the issues that has been highlighted has been established and confirmed. The minutes meeting has been documented in Bahasa Malaysia. There is also evidence that the minutes meeting has been made available. | Complied |
| Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions. - Major compliance - | FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where FGV is committed to employing only persons of the age of 18 and above, FGV recognises that Malaysian laws allow for young persons to be engaged in certain forms of employment. Therefore, no person shall be employed under the age of 15, and any employment of young persons shall not be in a manner that is likely to be hazardous, or to interfere with such person's education, or to be harmful to the person's health or physical, mental, spiritual, moral, or social development at any stage of the employment. There is no children has been employed in FGVPM Bukit Aping Selatan and has been verified base on the list of workers, site visit and | Complied |
| | 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. - Major compliance - | The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where FGV Group recognises and respects employees' right to freedom of association and to collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/02020 documented with attendance of all workers representative (Local, Indonesia, Bangladesh, India and Wormen). Management plan for the issues that has been highlighted has been established and confirmed. Children and young persons shall not be employed or exploited. I the minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions. FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where FGV is committed to employing only persons of the age of 18 and above, FGV recognises that Malaysian laws allow for young persons shall not be in a manner that is likely to be hazardous, or to interfere with such person' |

Criterion 4.4.6: Training and competency



| | Criterion / Indicator | | Assessment Findi | ngs | | Compliance |
|---------|--|------------------|---|----------------|--------------|------------|
| 4.4.6.1 | All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training | estate were r | ng were provided during musters and community hall. The following training recorded as follows. Subjects extract OP, and pesticide handling. | ig made for th | ne employees | Complied |
| | shall be kept. | | Subject | Date | Attendee | |
| | - Major compliance - | 1 | Company Policies Briefing | 20/4/21 | Entire | |
| | | 2 | Fire Extinguisher awareness | 06/12/21 | 9 | |
| | | 3 | Tractors driving SOP | 29/5/21 | Entire | |
| | | 4 | Chemical handling | 19/07/21 | 7 | |
| | | 5 | Harvesting SOP - PPE | 11/2/21 | 11 | |
| | | 6 | Buffer zone conservation | 11/09/21 | Entire | |
| | | 7 | Fire Drill - ERP | 06/12/21 | Entire | |
| | | 8 | Sustainability Awareness | 21/4/21 | Entire | |
| | | 9 | Chemical spillage ERP | 06/12/21 | 9 | |
| | | 10 | First Aid - Refresher briefing | 11/03/21 | 10 | |
| | | 11 | Beneficial plant SOP / IPM | 02/8/21 | 8 | |
| | | 12 | Motorcycle riding safety | 05/9/21 | 7 | |
| | | 13 | No Open Burning | 18/9/21 | Entire | |
| | | 14 | Waste Management | 19/9/21 | Entire | |
| | | 15 | RSPO / HIRARC / EIA / Laws | 02/8/21 | Entire | |
| | | 16 | Chemical spraying | 06/12/21 | 9 | |
| | | 17 | Estate Operations / performance | 07/6/21 | 10 | |
| | | 18 | Recycling practices / guidelines | 19/9/21 | Entire | |
| | | 19 | IPM management | 02/8/21 | Entire | |
| | | 20 | Procedure / Rungutan /Complaint | 11/3/21 | Entire | |
| | | 21 | Protection HCV /RTE | 19/07/21 | 7 | |
| | | 22 | Safety awareness | 14/10/21 | Entire | |
| | | 23 | Employment Contract - Passport | 05/7/21 | Entire | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

Criterion / Indicator Compliance **Assessment Findings** 24 High Noise Risk 25/10/21 Entire 25 CABI / DPE no exploitation 02/3/21 23 26 Whistle blowing SOP 15/4/21 Entire FFB harvesting / collection PPE 25/5/21 27 3 28 Anti-Bribery / Policies 20/6/21 Entire PPE adherence / riding 02/3/21 29 Entire SW management / Triple rinsing 06/12/21 30 9 Spraying P& D 08/2/21 12 31 COVID-19 reminders - MCO 27/12/21 Entire 32 33 RSPO / MSPO compliance 20/6/21 10 Contractor 34 Salary calculation / rate 06/6/21 Entire Sexual harassment/Gender rights 20/6/21 10 35 Buffer zone protection 13/7/21 36 8 Training for the estate is an on-going activity and held along with the annual program. Training needs of individual employees shall be identified prior 4.4.6.2 The training needs for the estate for the 2022 program has been Complied to the planning and implementation of the training programmes established. The details of the training needs include categories of job in order to provide the specific skill and competency required to descriptions, sections, and employees' group. Included in this program all employees based on their job description. are subjects among others are: - Major compliance -Subject Jan-April May-Aug Sept- Dec 1 Safety driving _ 2 HIRARC OSH --3 First Aider --Mini tractor driving 4 --5 Scheduled waste --6 Safety awareness /ERP --Chemical handling/PPE

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Compliance **Criterion / Indicator Assessment Findings** FFB quality /harvesting 8 -9 Scheduled waste /ERP _ -Schedule is subject to changes by the management. 4.4.6.3 A continuous training programme should be planned and Training details are planned and summarised in the OSH program. This Complied implemented to ensure that all employees are well trained in their complies and detailed in 4.4.6.1 above. Training program are made on job function and responsibility, in accordance to the documented annual basis. In addition, it is subject for a review during the financial training procedure. vear should need arises. - Minor compliance -4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services Criterion 4.5.1: Environmental Management Plan 4.5.1.1 An environmental policy and management plan in compliance There is a Group Policy titled "Pernyataan Polisi Alam Sekitar FGV Complied Holdings Berhad" dated 05/11/2021 signed by the Group CEO mainly with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. in relation to environmental protection. Therein the policy among others contained commitment towards: - Major compliance i. To protecting the environment and conserving biodiversity through sustainable development. ii. Abide by all legislative requirement. iii. Manages environmental risk and providing reasonable resources to minimise risk and pollution to environment. iv. Continuing and improving efficiency towards enhancing environment. From field visits and interviews with the workers there is no open burning being practiced in the estate.



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | | Assessment Findings | | | | | Compliance |
|---------|--|--|--|-------------------|--------|---------|---|------------|
| 4.5.1.2 | The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance - | doo 03/ are i. ii. ii. iv. | The aspect and impact analysis for all the estate operations are documented on Aug 2017 and revised annually latest being on 03/8/21. In the comprehensive report, the study of aspect and impact are aimed to: i. Plan to avoid negative impact and to promote positive impacts. ii. Plan to avoid negative impact and to promote positive impacts. iii. Reduction disposal of waste taking into consideration of social responsibilities. iii. Plan to reduce pollution and release of GHG iv. Development and implementations. | | | | | Complied |
| | | | | ivities | | | Activities | |
| | | 1 2 | Poisoning of VO Circle spraying | | S | 9 10 | Grass slashing Fertiliser application | |
| | | 3 | Management containers | | npty | 11 | Grading of FFB | |
| | | 4 | Rat baiting | | | 12 | Vehicle maintenance | |
| | | 5 | Triple rinsing | | | 13 | Chemical storage | |
| | | 6 | Drainage const | truction | | 14 | P & D census | |
| | | 7 | Rat Baiting | | | 15 | Boundary maintenance | |
| | | 8 | Road maintena | ance | | 16 | Landfill management | |
| | | Ма | nagement Plan 8 | & Initiative to | o redu | ice th | e impact on is listed below: | |
| | | | Impact | Source | | | Action plan | |
| | | 1 | Soil pollution Water | Empty chemical | | , | used containers into a b. Disposed to a registered | |
| | | 2 | pollution | containers | | | Enterprise. | |

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| | Criterion / Indicator | | | | Assessment Findings | | | | | | |
|---------|---|--|--|---|--|--|------------|--|--|--|--|
| 4.5.1.3 | An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance - | | edu 1 2 3 he eta ctic eve | Reduce che Smoke emis Diesel spilla of fuel estate has ils to reduc on plan to s eloped with Jadual | following efforts we n the environment. Issue mical spillage age during infilling established an envir established an environm details as follows: Rumusan Skor Un Paling KETARA Pelan Pengurusa Mengurangkan Im Ladang Pelan Tindakan (A Impak Alam Sek | re initiated by the management to Initiative Implement mixing at designated area (store area) Implement PMV Establish trap, tray & spill kit ronmental improvement plan with pollution (negative impacts) and nental impact (positive) has been Details tuk Impak Negatif Alam Sekitar In (Management Plan) Bagi npak Alam Sekitar Dari Aktiviti action Plan) Bagi Mengurangkan itar Dari Aktiviti Ladang Dan maran (Impak Positif) | Compliance | | | | |
| | | | | he above d ew annually. | | ed on 11/1/2021 and subject to | | | | | |



| | Criterion / Indicator | | Compliance | | |
|---------|--|----|--------------------------------------|---|--|
| 4.5.1.4 | A programme to promote the positive impacts should be included in the continual improvement plan. | | program to promote 4.5.1.3 above. | Complied | |
| | - Minor compliance - | 1 | Category Operation | Details Mech spreader fertilizer application - | |
| | | 1 | Operation | Feb 22 | |
| | | 2 | Operation | Badang for in field collection - Mac 22 | |
| | | 3 | Safety | Portable eye wash - RM 200 | |
| | | 4 | Operation | Road grader for road maintenance | |
| | | 5 | Operation | BOB performance and monitoring | |
| | | 6 | Operation | Designated cattle grassing area | |
| | | 7 | Operation | Expansion of beneficial plant in the field | |
| | | 8 | Safety | Badang Introduction - FFB collection | |
| | | 9 | Social | Grass cutting -harvesting path to reduce chemical | |
| | | 10 | Environmental | Monitoring of buffer zone conservation | |
| | | 11 | Environmental | Recycling practices in the office and estates | |
| | | 12 | Environmental | Campaign - environmentally friendly | |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|--|------------|
| 4.5.1.5 | An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. - Major compliance - | A training program is available in the Training Program updated on a yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training. Other training organised in relation to environmental issues and activities among other as listed below: | Complied |
| | | NoSubjectNoSubject1Chemicals handling4HCV / RTE2Scheduled waste5Soil pollution3Buffer zone protection6Water pollution | |
| 4.5.1.6 | Management shall organize regular meetings with employees where their concerns about environmental quality are discussed Major compliance - | Subjects concerning environmental are also included and discussed in the ESH committee meeting. The dates of meeting held by the estate are recorded below. | Complied |
| | | Date Attendee Date Attendee 1 21/12/21 12 3 15/6/21 9 2 28/9/21 12 4 16/03/21 11 | |
| | | Sighted minutes of meeting available in the ESH meetings. Agenda in relation to environmental among others include: <i>i. Lapuran Pematuhan Undang-Undang</i> <i>ii. Lapuran Kesihatan & Kawasan Perumahan</i> | |
| | | <i>iii. Lapuran Bahan Buangan Terjadual/Isu Alam Sekitar</i> In addition, the management organised EPMC Environmental Performance Monitoring Committee) yearly. Issues were related to the | |

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| | Criterion / Indicator | | Assessment Findings | | | | | |
|-----------|---|---|--|---|--|---|--|----------|
| | | environmental performance of all units within the Region. Recent being on 23/08/2021. | | | | | | |
| 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. | renewa monito for co | able sourc pred to opti mparison using dies | es were kep mize use of r and control | t and docume enewable ener for future im | both renewab ented in the e rgy. Data is bein provement. M variance on in | estate. It is ng compiled onitoring is | Complied |
| | - Major compliance - | Mo | onth 21 | FFB mt | Diesel L | Diesel /FFB | | |
| | | | Jan | 1084 | 3343 | 3.08 | | |
| | | | Feb | 804 | 3331 | 4.14 | | |
| | | | Мас | 1101 | 4090 | 3.71 | | |
| | | | April | 1055 | 4846 | 4.59 | | |
| | | | May | 1220 | 4569 | 3.75 | | |
| | | J | June | 1384 | 5155 | 3.73 | | |
| | | | July | 1353 | 5344 | 3.95 | | |
| | | | Aug | 1520 | 3047 | 2.00 | | |
| | | 9 | Sept | 1737 | 2654 | 1.53 | | |
| | | | Oct | 1516 | 3280 | 2.16 | | |
| | | | Nov | 1303 | 3800 | 2.92 | | |
| | | | Dec | 1230 | 3560 | 2.89 | | |
| | | | nvironment tailed belo | | t Plan for effi | ciency of fossil | fuel usage | |
| | | No | Target | 0 | ojective | Action | plan | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | | Assessment Findir | ngs | Compliance |
|---------|---|-------|---------------------------------|--|--|------------|
| | | 1 | Backhoe tractor/ Machines | To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment | To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel | |
| | | 2 | Van / Supervisory vehicle | To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment | activity in order to eliminate waste | |
| | | 3 | Electrical supply | To reduce reliance on gen-sets for power supply | Utilization of TNB sources | |
| | | Perfo | rmance variation | on in view of several fact | ors i.e. | |
| | | a) In | frastructure of | estates | | |
| | | b) Co | ommunity size | / no of gen-sets | | |
| | | | | age of machine | | |
| | | d) W | eather interfer | ence / crop production v | olume | |
| 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. | budg | et. Mainly the | | nsumption in the annual state machinery for FFB | Complied |



| | Criterion / Indicator | | | Assessment Findings | Compliance |
|----------|---|-----------------|---|--|------------|
| | This shall include fuel use by contractors, including all transport and machinery operations. Major compliance - | | | | |
| 4.5.2.3 | The use of renewable energy should be applied where possible. - Minor compliance - | cu wh | ere was no c rrent technol nereby fibres oduction there | Not applicable | |
| Criterio | n 4.5.3: Waste management and disposal | | | | |
| 4.5.3.1 | All waste products and sources of pollution shall be identified and documented. | of est po | pollution. T tablished to m llution. The o tate and mill o Receptor | Selatan Estate had identified all wastes and sources The Waste Management Action Plan 2022 were nitigate and control the identified wastes and source of common significant environmental receptors for the operations among others as summarized below: Sources Sources | Complied |
| | | | | vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)-GHG | |
| | | 2 | Water | Cleaning water/run-off/process station waters sterilizer condensate/clarification waste) & boiler guenching water and blow down | |
| | | 3 | Land | Scheduled waste, domestic waste and industrial/process waste. | |
| | | Th | e waste gene | rated from the mill/estates operations as shown below: | |
| | | | Type of w | aste Details | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | | Asse | essment Findings | Compliance |
|---------|--|--|--|---|---|------------|
| 4.5.3.2 | A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling | Th 1 2 3 Bu Th do i. ii. | 1 Scheduled waste 2 Domestic waste 3 Industrial waste 4 Sewage 6 Odor & gases 6 Leakage of lubrica 1 Leakage of handling 1 Prosedure Kerja Se 6 Prosedur Kerja Se 7 Prosedur Menja Se 8 Pengendalian Bal Waste Managemer | Spe oil, rubl emp Fibe Sew d fror d fror state l g of selan lity selana ancuh han k | ent IPA, hexane, filter, lubricants, hydraulic grease, used batteries bish from the mill/estate complex and ployees' quarters er, palm kernel shell, boiler ash, scrap iron vage from housing/office complex m the mill/estate's activities: Details Emission from Boilers/vehicles/engines Activities from the effluent treatment Storage & vehicle maintenance had established SOP for chemical handling. chemicals is available in the following estari mat at n Racun di PREMIX | Compliance |
| | | b) | | | nd workers i.e. storekeepers and chemical d they had understood the hazards involved | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| Criterion / Indicator | Assessment Findings | Compliance | | | |
|-----------------------|---|------------|--|--|--|
| | and how the chemicals should be used and disposed in a safe manner. c) Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticides containers were washed at washing station prior to disposal. Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory and consignment documents verified for confirmation of proper management and disposal. The scheduled waste is disposed to Kualiti Alam Sdn Bbd registered with DOE | | | | |
| | to Kualiti Alam Sdn Bhd registered with DOE.EstateDateSW 305SW 409SW306BASE13/12/210.0210.445-The current practice of disposal of empty containers for the estate is delivery to SS Setia Teknologi Enterprise an approved buyer registered | | | | |
| | with Jabatan Pertanian. Despatch dated 06/1/2022 as follows:ItemQuantity1Empty chemical containers882Kelon container453Ally container15 kg | | | | |
| | Domestic waste for the operating units in CU was disposed as follows:EstateLandfill siteBASEMDP LandfillCollection 2/3x week | | | | |
| | The requirement is established and in compliance. The procedure documented under this subject under Perlupusan Sisa Domestik. Document dated 01.06.2016. The procedure has detailed the definition | | | | |

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MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|---|--|------------|
| 4.5.3.3 | 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. - Major compliance - | The SOP of handling of chemicals is available in the following | Complied |
| | | - Pengurusan Bahan Buangan | |



| | Criterion / Indicator | Assessment F | Compliance | |
|---------|---|--|--|----------|
| | | The procedures for handling used Environment Quality Regulations Environmental Quality Act, 1974 are av- by SCCD and implemented in all estates practices. The operational control proce management provides guidelines as fol i. Management of class 2 (and highe ii. Management of fertiliser bags These documents were established on the Group Estates and remain effective units. | | |
| 4.5.3.4 | Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers. - Major compliance - | This is available and detailed in doc BEKAS RACUN PEROSAK' The objective i. Memelihara kesejahteraan alam se ii. To comply with the gap iii. Avoid misuse of empty pesticide co | e of the guidelines is to; ekitar ontainers. he need of triple rinsing and hidue after the triple rinsing. pty containers for the estate is e an approved buyer registered | Complied |

MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|-----------|--|--|------------|
| 4.5.3.5 | Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance - | Pictorial guidelines on the methods of triple rinsing are also shown in the document. Under the operational control procedure established as given in 4.5.3.3 above the guideline and practice for handling empty pesticides are as follows: All class 2 and above containers are tripled rinsed and hole punctured at the bottom only if the waste generator is to dispose as non-scheduled waste. Containers to be disposed as scheduled waste need not go the triple rinsing and hole punctured process. These guidelines are based on Department of Agriculture ref 91/120/038/014 dated 7/11/2002. Domestic waste for the estate was disposed as follows: Estate Landfill site Remarks FGV Bukit Aping Selatan MDP landfill Collection 2/3 x week The sites were sighted and verified. The area is sufficiently distant from habitation and water contamination. The site disposal area (landfill area) is shown and marked in the estate map. | Complied |
| Criterion | 4.5.4: Reduction of pollution and emission | | |
| 4.5.4.1 | An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. - Major compliance - | The estate assessed their polluting activities incorporated in the Environmental Improvement Plan/Pollution Prevention Plan 2021. Details as provided in 4.5.1.3 and 4.5.1.4. Therein is given potential sources of pollutants, objective & targets and action to be taken.PollutionSource1AirVehicle & gen-sets | Complied |



| | Criterion / Indicator | | | Assessme | nt Findings | Compliance |
|---------|---|------------|--|---|--|------------|
| | | | Water Land GHG fina wn as tCO | al emissions summa | run-off te & industrial waste rised from the estate activities is | |
| 4.5.4.2 | An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance - | the sou | environme rces of po ated target Source Manage reserve To manage suitabili To im awaren prevent complex burning | ental management p ellutants, objective & ed area assessed am <u>s/objective & target</u> ment of HCV river where applicable monitor waste ment plan for its ty prove employee's ess on pollution ion at housing c including zero policy. nimise spillage of nical onto the review aspect ation & impact | To train/ retrain sprayers/ manuring gang to avoid any chemical-related works at the area SW disposal monitoring. Delivery to Kualiti Alam Sdn Bhd Continuous reminders | Complied |



| | Criterion / Indicator | | | Assessment Findings | | | | | |
|-----------|--|---|--|---|--|---|---|--|----------|
| | | | signific contro | cant critica I. | point | s for | | | |
| Criterion | 4.5.5: Natural water resources | | | | | | | | |
| 4.5.5.1 | The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce 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, | Ther river prev The Tahu for t 1 2 3 4 5 6 | rein amo r, mode rentive & manage <i>un 2021</i>) he estato <u>Month</u> Jan Feb Mac April May June er zones | ong others of measu corrective ment also r for better e in 2021 a mm 101 220 0 66 270 283 | illustr remer measurecords follo 7 8 9 10 11 12 | rate ident nt, risk e ures, and s the rain oring of th ws: <u>Month</u> July Aug Sept Oct Nov Dec | ification o event & ca PIC (perso fall data (<i>A</i> e palm gro mm 220 160 354 148 181 221 | n Air Tahun 2022. f water source e.g. ause of risk event, on in charge). <i>Rekod Hujan Bulanan</i> wth. Rainfall records | Complied |
| | 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. | | Estate | it Aping Se | latan | | ocation J Bahan | Field no PM10P | |
| | - Major compliance - | | | | | | | | |

MSPO Public Summary Report Revision 2 (Nov 2021)

Criterion / Indicator Assessment Findings Compliance Prevention is made especially during the manuring activities. The estate discussed the environmental issues during the ESH meetings. a) River water performance. b) Scheduled wastes and others waste management. c) Environmental Programs. River width Buffer River width Buffer zone zone 1 >40 meters 50 meters 5 - 10 meters 10 meters 4 2 20 - 40 meters 40 meters 5 < 5 meters 5 meters 3 10 - 20 meters 20 meters --The policy for the protection of watercourse is made known to all employees for an effective implementation when the need arises. The estate used water supply form SAJ hence does not require an internal water treatment for the domestic consumption. Water sampling at Sg Bahan is made twice annually with recent results shown below. 22/09/21 09/9/21 BASE Hilir Parameter unit Hulu Hulu Hilir 6.05 3.78 PH 5.47 4.48 1 -BOD mg/L 2 1 1 1 1 3 COD 11 ma/L 5 2 5 4 D0 4.84 7.81 69.4 69.4 mg/L 5 S Solids mg/L 17 29 6 20 0.2 8 T Nitrogen mg/L 0.2 0.2 0.4



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| 4.5.5.2 | No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance - | This is in compliance by the estate. This requirement is also audited internally by the SCCD personnel. During the field visit no construction of such was observed. This was further supported through facts obtained from interviews among the employees. | 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 - | | Complied |
| Criterio | 1 4.5.6: Status of rare, threatened, or endangered species ar | nd high biodiversity value | |
| 4.5.6.1 | Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) - Major compliance - | "Laporan Penilaian Konservasi Tinggi (HCV) & Biodiversiti; Bukit Aping Selatan dated 20 Dec 2018. Thereafter being reviewed on 11/10/2021. This report was updated and reviewed by En Amir Hamzah Dollah@Abdullah from the Due Diligence Unit, Plantations Sustainability Department. In summary there was no HCV present in the CU except for buffer zone for Sungai Bahan PM10P. The report details the findings of a rapid appraisal of the biodiversity in the estates and addresses the RSPO P&C relevant to biodiversity conservation and HCV. Therein | Complied |

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| Criterion / Indicator | | Assessment Findings | Compliance |
|-----------------------|---|--|------------|
| | | e) Ponds and reservoirsf) Wetlands /watercoursesg) Legal aspectsh) Immediate and long-term effect. | |
| 4.5.6.2 | If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include: a) Ensuring that any legal requirements relating to the protection of the species are met. b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. - Major compliance - | Relevant programme to workers pertaining awareness of HCV areas and RTE observed conducted. Interview with employees noted that awareness programme had been conducted. Employees were aware of: a) Not to capture, harm, kill any wildlife. b) Disciplinary measures shall be taken if found violating company rules. c) Not to chemicals in riparian buffer zone. | Complied |
| 4.5.6.3 | A management plan to comply with Indicator 1 shall be established and effectively implemented, if required. - Major compliance - | The estate observed and implemented the established action plans, including monitoring (patrolling) of the conservation areas by Auxiliary Police. Record of monitoring (patrolling) observed maintained. Observed no monitoring outcomes that requires changed of practices or action plan. | Complied |



Compliance Criterion / Indicator **Assessment Findings** 4.5.7.1 Use of fire for waste disposal and for preparing land for oil FGV practices of "Zero open burning" is enforced and elaborated in the Complied palm cultivation or replanting shall be avoided except in Group Sustainability Policy dated May 2019. Also included in the specific situations, as identified in regional best practice. following guidelines: - Major compliance i. Manual Ladang Sawit Lestari - Prosedur Kerja Selamat ii. Manual Sustainability - Prosedur Kerja Selamat - Prosedur membancuh Racun di PREMIX - Pengendalian Bahan Kimia - Penyediaan tanah tanam semula The estate adhered to the policy of "Zero open burning" for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates. 4.5.7.2 A special approval from the relevant authorities shall be sought No special approval from the relevant authorities. Not applicable in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. - Major compliance -4.5.7.3 Where controlled burning is allowed, it shall be carried out as No controlled burning is allowed. Not applicable prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -4.5.7.4 Previous crops should be felled or mowed down, chipped and This is included in the specification of work orders in event of land Complied shredded, windrowed or pulverized or ploughed and mulched. preparation during a replanting. It is a standard practice in Felda

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| | Criterion / Indicator | Assessment Findings | Compliance | | |
|---------------------------------|---|--|------------|--|--|
| | - Minor compliance - | Agricultural Services/FGV. The organisation excluded stages relating to shredding, pulverized and ploughing in the land preparations. | | | |
| 4.6 Principle 6: Best Practices | | | | | |
| Criterio | n 4.6.1: Site Management | | | | |
| 4.6.1.1 | Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance - | The standard operation procedure for the estate operations is available which is prepared on Group basis. There are levels of the documentation identified as follows:i. Manual Ladang Sawit LESTARI on reviewed 1/6/12 Sawit pra matang edisi II seksyen 3ii. Manual Ladang Sawit LESTARI reviewed on 1/6/12 | Complied | | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | | Assessment Findings | Compliance |
|-----------|--|-----------------------------|------------------|---|------------|
| | | 1 | Daily | Supervision by field staff/Assist/Manager Report of daily activities/costings/variation WA group - digital supervision Quarterly ESH meeting | |
| | | 2 | | RC visits on field activities Internal audits by GCAD/SHO Annual EPMC External audit RSPO /MSPO PA visits / Agronomist visits Zone Head / Regional Controller visits | |
| | | 3 | Medical / health | Monthly check by HA/MA Annual medical surveillance. | |
| 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 - | | Complied | | |
| 4.6.1.3 | A visual identification or reference system shall be established for each field. - Major compliance - | All f no) in s dur | Complied | | |
| Criterion | 4.6.2: Economic and financial viability plan | | | | |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|---|---|------------|
| 4.6.2.1 | A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance - | The estate continued to achieve long term economic and financial viability through documented management plan projected to year 2026. i. A Management Plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2022 to 2026 had been prepared for the estate was made available to the audit team. ii. This plan had also included mature area and for the forecasted FFB production per hectare for the period 2022 to 2026. iii. All the estates in the management of FGVPM had a standard budgeting format. The records were reviewed during the audit. The Business Plan also included a 5-year budget/forecast financial plan (i.e. 2022-2026) with allocation on the following: Crop yielding area / Prime mature Total mature / Cost/ha General charges/upkeep/collection/depreciation CAPEX iv. The component of the budget comprises of the following items; Labour statement / Allocation of wages Labour benefit summary / Labour reconciliation Yield statement oil palm Summary of vehicle and running schedule Job allocation for vehicles / Summary of workshop running schedule Summary if budget / Summary of general charges CAPEX, oil palm matures and young mature | Complied |



| | Criterion / Indicator | | Assess | ment l | Findings | | | Compliance |
|---------|--|---|-------------|-------------|-------------------|-------------|-----------------|------------|
| | | Format of estate summary expenditure is as per the following content. Figures were extracted out for reason of confidentiality. | | | | | | |
| | | Year | 2022 | 2023 | 2024 | 2025 | 2026 | |
| | | Mature Ha | 747.47 | 747.47 | | 747.47 | 653.04 | |
| | | Immature Ha Total Planted Ha | 0 747.47 | 0 747.47 | 0747.47 | 0 747.47 | 94.43 747.47 | |
| | | FFB Tons | 15235 | 15690 | | 16223 | 14280 | |
| | | Yield /Ha | 20.23 | 20.99 | | 21.70 | 21.87 | |
| | | RM/mt FFB | х | х | Х | х | х | |
| | | RM//Ha | Х | х | Х | х | Х | |
| | | Component of opera | • · | nditure a | - | | | |
| | | Activit | ties | 9 | Ac Sanitasi Po | tivities | | |
| | | 2 Membaja | | 10 | | - | | |
| | | 3 Parit | | 11 | Menyulam | | | |
| | | 4 Jalan & jamba | | 12 | Penyeliaan | am | | |
| | | 5 Pemuliharaan | Tanah/Air | | Sanitasi Po | - | | |
| | | 6 Mencantas | | 14 | Sempadan | & ukur | | |
| | | 7 buruh 8 pengangkutan | 1 | 15 16 | | | | |
| 4.6.2.2 | Where applicable, an annual replanting programme shall be | The replanting programme until 2026 were sighted for the estate. This | | | | Complied | | |
| | established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. | program is reviewed once a year (latest being Jan 2022) and is incorporated in their annual financial budget. The replanting program until year 2026 is as follows: All figures in ha otherwise stated. | | | | | | |
| | - Major compliance - | Estate | | 2022 | 2023 202 | | | |

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| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| | | FGVPM Bukit Aping Selatan 0 0 94.43 0 | |
| 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 - | This requirement i.e. crop material, crop projection, yield, production cost is available. It is provided in the business management plan shown in item 4.6.2.1 above. The estate had a format and guideline to calculate the returns on the field operations i.e. Income = sale of FFB (with award of CPO/CPK from the mill) less the expenditure (fixed and direct cost). This format was sighted. | Complied |
| 4.6.2.4 | The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance - | The estate performance is recorded in the monthly progress report. a) Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein. b) The management also provides variance report on the performance and reviewed on a monthly basis. c) The supervisory personnel maintained a daily cost for the field operations. The meeting involving the Managers sits monthly with the Regional Controller and Zone Head for the performance review. | Complied |
| Criterio | n 4.6.3: Transparent and fair price dealing | | |
| 4.6.3.1 | Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance - | 3 samples of contractor have been taken by auditor which are Hudin Enterprise, Vasan Construction Enterprise and Perniagan Shafei & Sahran. Pricing mechanism has been detailed in the in the contract agreement base on types of works. There is evidence that pricing | Complied |

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Compliance Criterion / Indicator **Assessment Findings** mechanism has been agreed by both parties. Base on interview, confirmed that all contractors agreed with the price. Sample of invoices and payment voucher has been taken for April, June and September 2021, and there is evidence that the pricing mechanism has been implemented and payment made on timely manner as per payment term. 4.6.3.2 All contracts shall be fair, legal and transparent and agreed Complied Refer to indicator 4.6.3.1 payments shall be made in timely manner. - Major compliance -Criterion 4.6.4: Contractor Where contractors are engaged, they shall understand the 4.6.4.1 As per interview, confirmed that all contractor engages understand the Complied MSPO requirement and has been briefed by the estate management MSPO requirements and shall provide the required through contract agreement and emailed. documentation and information. - Major compliance -The management shall provide evidence of agreed contracts with Complied 4.6.4.2 3 samples of contractor have been taken by auditor which are Hudin Enterprise, Vasan Construction Enterprise and Perniagan Shafei & the contractor. Sahran. Contract agreement sighted and has been signed by both - Major compliance parties. Complied 4.6.4.3 The management shall accept MSPO approved auditors to verify All estates under FGV Holdings Berhad has no objection to allow BSI assessments through a physical inspection if required. auditors to verify the assessment through physical inspection if required. - Minor compliance -4.6.4.4 The management shall be responsible for the observance of the The estate has monitored and records the contractors works through Complied control points applicable to the tasks performed by the Scheduled of Work Completed (SOWC) which been acknowledge contractor, by checking and signing the assessment of the between the estates and contractors before payment been made. contractor for each task and season contracted.

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| | Criterion / Indicator | Assessment Findings | Compliance | | | | |
|-----------|---|---------------------|----------------|--|--|--|--|
| | - Major compliance - | | | | | | |
| 4.7 Princ | 4.7 Principle 7: Development of new planting | | | | | | |
| Criterior | 4.7.1: High biodiversity value | | | | | | |
| 4.7.1.1 | Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance - | | Not applicable | | | | |
| 4.7.1.2 | No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance - | Estate. | Not applicable | | | | |
| Criterion | Criterion 4.7.2: Peat Land | | | | | | |
| 4.7.2.1 | New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance - | | Not applicable | | | | |
| Criterion | Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA) | | | | | | |



Compliance **Criterion / Indicator Assessment Findings** 4.7.3.1 A comprehensive and participatory social and environmental Not applicable since there is no new planting for FGV Bukit Aping Not applicable impact assessment shall be conducted prior to establishing new Estate. plantings or operations. - Major compliance -4.7.3.2 SEIAs shall include previous land use or history and involve Not applicable since there is no new planting for FGV Bukit Aping Not applicable independent consultation as per national and state regulations, Estate. via participatory methodology which includes external stakeholders. - Major compliance -4.7.3.3 The results of the SEIA shall be incorporated into an appropriate Not applicable since there is no new planting for FGV Bukit Aping Not applicable management plan and operational procedures developed, Estate. implemented, monitored and reviewed. - Major compliance -Where the development includes smallholder schemes of above 4.7.3.4 Not applicable since there is no new planting for FGV Bukit Aping Not applicable 500ha in total or small estates, the impacts and implications of Estate. how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -Criterion 4.7.4: Soil and topographic information 4.7.4.1 Information on soil types shall be adequate to establish the Not applicable since there is no new planting for FGV Bukit Aping Not applicable long-term suitability of the land for oil palm cultivation. Estate. - Major compliance -


| | Criterion / Indicator | Assessment Findings | Compliance |
|-----------|--|---|----------------|
| 4.7.4.2 | Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance - | | Not applicable |
| Criterior | 4.7.5 : Planting on steep terrain, marginal and fragile soils | | |
| 4.7.5.1 | Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. | | Not applicable |
| | - Major compliance - | | |
| 4.7.5.2 | Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. - Major compliance - | Estate. | Not applicable |
| 4.7.5.3 | Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance - | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |
| Criterior | 4.7.6 : Customary land | | |
| 4.7.6.1 | No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | | Not applicable |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|---|----------------|
| | - Major compliance - | | |
| 4.7.6.2 | Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance - | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |
| 4.7.6.3 | Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |
| | - Major compliance - | | |
| 4.7.6.4 | The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance - | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |
| 4.7.6.5 | Identification and assessment of legal and recognised customary rights shall be documented Major compliance - | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |
| 4.7.6.6 | A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance - | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |
| 4.7.6.7 | The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance - | Not applicable since there is no new planting for FGV Bukit Aping Estate. | Not applicable |



Criterion / Indicator Assessment Findings Compliance 4.7.6.8 Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. No new planting was observed or planned by the management. Thus, this principle is not applicable. Not applicable



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

| | Criterion / Indicator | Assessment Findings | Compliance | | | |
|----------|--|--|------------|--|--|--|
| 4.1 Prin | .1 Principle 1: Management commitment & responsibility | | | | | |
| Criterio | n 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy | | | | | |
| 4.1.1.1 | Policy for the implementation of MSPO shall be established. - Major compliance - | There is evidence that policy for the implementation of MSPO has been established and documented in the document title "Group Sustainability Policy", Policy No: FGV/SED/POL/001 rev 4.0 dated 17/11/2020 has includes the MSPO implementation is established and publicly available. | 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 - | Stated in the "Group Sustainability Policy" that the management is of FGV Holdings Berhad is committed for continuous improvement. Any issues and non-compliance of the policy, identification of the root cause and correction will be established. | Complied | | | |
| Criterio | n 4.1.2 — Internal Audit | | | | | |
| 4.1.2.1 | Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance - | There is evidence that internal audit has been planned according to internal which need to be done at least annually. Latest internal audit has been done 13/12/2021 and there are 2 Major non-conformities has been raised. | Complied | | | |
| 4.1.2.2 | The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance - | Internal Audit for Sustainability Certification Procedure (SOP No.: FGV/GSD-SCCD/SOP/04 dated 03/09/2020) has been established. The procedure covers the process of conducting the internal audit and states that the internal audit is to be conducted annually and before the management Review. Internal audit results for all operating units has been documented in the document title "RSPO, | Complied | | | |

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Criterion / Indicator Assessment Findings Compliance MSPO & ISCC Internal audit report". Total 2 Major non-conformities have been raised during the audit and identification of root cause, correction and corrective action has been detailed in the same document. 4.1.2.3 Reports shall be made available to the management for their review. Internal audit results for all operating units has been documented Complied in the document title "RSPO, MSPO & ISCC Internal audit report". - Major compliance -Criterion 4.1.3 – Management Review 4.1.3.1 The management shall periodically review the continuous suitability, Management review meeting was conducted on 17/12/2021 which Complied adequacy and effectiveness of the requirements for effective was chaired by the Mill Manager. The outcome of the internal and implementation of MSPO and decide on any changes, improvement external audit, any related issues of certification, change of and modification. management, complaint has been discussed during the meeting. - Major compliance -



| | Criterion / Indicator | | | A | Assessment Findings | | Compliance |
|----------|--|----------------|---------------------|--|--|-------------------------|------------|
| Criterio | n 4.1.4 — Continual Improvement | | | | | | |
| 4.1.4.1 | The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance - | l ii p a | nsta proc ind | Illation for the in ess improvement | A had the following plans of new a mprovement relating to the envir pollution and energy conservation f r 2022-2026. Projects among othe | onmental, or current | Complied |
| | | | 1 | Area Environmental Environmental | Projects Upgrading of final point discharge effluent drain and improved containment wall in 2022 Upgrading of inspection roads along the effluent ponds with facilities of concrete monsoon drains | Cost 40K 100K | |
| | | | 3 4 5 6 | Environmental Environmental Environmental Environmental | Scheduledeffluentponddisludging in phases in 2022/23Daily monitoring of the effluentqualitytomeetlegalcompliance.Green Air Dust Emission 2022Additional effluentdischarge at | 200K 1.75M 400K | |



| | Criterion / Indicator | Assessment Findings | 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 - | This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the Zone Head and Regional Controller are transacted during the monthly Managers meetings and emails. | Complied |
| 4.2 Prin | ciple 2: Transparency | | |
| Criterio | n 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 - | Memo for the management of FGVPISB Wa Ha POM has been disseminate to all stakeholders regards to document that are specified in the RSPO P&C that are available for public dated 05/10/2021 and for FGVPM Bukit Aping Selatan Estate, memo has been sent to all stakeholders on 11/01/2021 . List of documents that made publicly available as below: a) Land title b) OSH plan c) Environmental and social management plan d) SEIA report e) HCV report f) Complaint and grievance procedure g) Land dispute procedure h) Policies such as Human Rights and Group Sustainability | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| | | Besides, documents such as company's policies, Supplier Code of Conduct and grievance procedure is accessible by the stakeholders via www.fgvholdings.com/sustainability/ | |
| 4.2.1.2 | The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance - | For FGVPISB Wa Ha POM, request for any information has been recorded in the form title "Borang permohonan informasi, FGVPISB Wa Ha POM". In 2021, there are only 3 requests for information and all from government bodies. While Bukit Aping Estate, there is no request of information has been received for year 2021. It was verified that the management of the mill and estate have responded to all request and inquiries in a timely manner with acknowledgement and date of acknowledgement available for verification. | Complied |
| Criterio | n 4.2.2 – Transparent method of communication and consultation | on | |
| 4.2.2.1 | Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance - | Procedure for consultation and communication has been documented in the document title " <i>Komunikasi, penglibatan, dan rundingan</i> " document number FGV/FGVPM/II/IMS/15/006. There is evidence that the procedure has been communicated to all stakeholders by both POM and estate. | 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 - | Mill manager and assistant mill manager has been appointed as person in charge for any consultation and communication with stakeholders. It can be sighted base on the appointment letter. | 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 - | FGVPISB Wa Ha POM has established List of Stakeholders where details of the stakeholders such as address, contact person and contact numbers are available in the stakeholder list. Stakeholders | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|---|---|------------|
| | | comprise of government authorities, suppliers, contractors, local communities, schools and external FFB suppliers. | |
| Criterio | n 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 - | The mill has established an SOP on traceability stated in the following procedure to provide guideline on delivery of FFB to the mill. "Manual Ladang Sawit Lestari section 8.0 Mengangkut BTS ke Kilang (MLSL (Ed.2) – Sec.4 (8.0), 1/6/2012)". Therein describing documents among others maintained were: a) Nota Penghantaran BTS b) Slip Akuan Penerimaan (weighbridge ticket) c) Slip Grading d) Sijil Mutu BTS | 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 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 and effective. | Complied |
| 4.2.3.3 | The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance - | The weighbridge clerk Sdr Mohd Radhi Amin is assigned to implement and maintain the traceability system as verified through an appointment letter dated 02/1/2022 issued by the Manager. | Complied |
| 4.2.3.4 | Records of storage, sales, delivery or transportation of crude palm oil and palm kernel 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 | Complied |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| Criterion / Indicator | Assessment Findings | Compliance |
|-----------------------|---|------------|
| | and well maintained. The Mill manager has appointed a SCC Committee which consist of 9 personals (Assistant Manager, Weighbridge Clerk, Operation Supervisor, Laboratory Assistant, FFB Grader and Auxiliary Police) as stated in the appointment letter dated 09/12/2021. | |
| | FGVPISB Wa Ha POM receives RSPO Certified FFB from FGVPM Bukit Aping Selatan Estate. Nota Hantaran BTS will be submitted to the mill during incoming of FFB from the state. Information of the Nota Hantaran BTS is then recorded in the WB system and MPR system by the Weighbridge Operator. | |
| | Verified the sampled Nota Hantaran BTS and Weighbridge Ticket for FGVPM Bukit Aping Selatan Estate as below: | |
| | a) Estate: FGVPM Bukit Aping Selatan Estate | |
| | b) DO Number: 20/116192 | |
| | c) Product: FFB | |
| | d) Date of Delivery: 11/09/2022 | |
| | e) Vehicle Number: VGH 7848 | |
| | f) FFB Weight: 6.910 mt | |
| | FGV Holdings Berhad have established RSPO Supply Chain Certification (Kilang Sawit) procedure (SOP No.: FGV/GSD- SCCD/SOP/007 dated 07/01/2021) where mechanism for handling of non-conformance material & document was outlined in the procedure. Downgrading of products will be done if any non- conformance has been identified along the process. | |

4.3 Principle 3: Compliance to legal requirements



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|---|------------|
| Criterio | n 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 - | A mechanism to ensure compliance to legal and other requirement has been documented in Manual Lestari established from the Head Office level. a) The Legal Department will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. b) Thereafter the estates and mill where applicable will be notified via email on the changes/update of LORR for implementation. The licenses/permit viewed as complied by the mill for the legislative requirement among others viewed were as follows: a) MPOB License; License Number: 500171704000; License Validity Period: 01/04/2021 - 31/03/2022 approved FFB processed at 27000mt/year. b) DOE License (Compliance Schedule); License Number: 004743; Reference Number: AS(B)J31/152/000/018; License Validity Period: 01/07/2021 - 30/06/2022. c) Energy Commission License has been requested for renewal on 23/06/2021 by the mill. Application Number: OSJB2306202100222L. The license has not been obtained yet. d) License to Divert and Extract River Water (BAKAJ); File Number: BAKAJ/334/300/05/08/08/06; License Number: 08/A/KT/007; License Expiry Date: 31/12/2021. License Renewal has been requested on 29/11/2021 pending approval from BAKAJ. | Complied |



| Criterion / Indicator | | Assessment Findings | Compliance |
|-----------------------|---|--|------------|
| | | Verified the License Renewal payment receipt (Receipt Number: 21BQTR0500857) | |
| 4.3.1.2 | The management shall list all relevant laws related to their operations in a legal requirements register Major compliance - | , | Complied |
| | | n) Akta Polis 1967 o) Akta Pencegahan Dan Pengawalan Penyakit Berjangkit 1988 | |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|---|--|------------|
| | | p) Akta Std Min Perumahan Dan Kemudahan Pekerja 2019 (Pindaan)q) Perintah Gaji Minima 2020 | |
| 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 Legal Department will update changes and communicate to the mill and estates via email. Thereafter the operating units will view the relevancy and adopt into the compliance list. This is also assisted via the Region Office and through personnel from SCCD during the site visits and audits. | Complied |
| 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 - | FGV Holdings Berhad have centralised system for tracking any changes in the law as per "<i>Panduan: Sistem Pengesanan Perubahan Undang - undang</i>" dated 23/6.2017, Version:04. a) Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. b) This correspondence was sighted via an email issued from Head Office for the operating units to update and comply where applicable. c) The mill PIC for legal compliance is Sdr Hanif Nur Ngamidon Assistant Manager via letter dated 03/01/2022 issued by the Manager. | Complied |
| Criterio | n 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 - | There is no customary land within mill and estate of FGV Wa Ha complex. The mill is leased the land from Felda as per records of Agreement to Lease dated 25/11/1996 between Felda Palm Industries Sdn Bhd and Felda. Total 30.76 hectares has been leased | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|---|----------------|
| | | for oil palm mill. All the lands are belonging to Felda and leased by FGV. | |
| 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 - | There is no customary land within mill and estate of FGV Wa Ha complex. The mill is leased the land from Felda as per records of Agreement to Lease dated 25/11/1996 between Felda Palm Industries Sdn Bhd and Felda. Total 30.76 hectares has been leased for oil palm mill. All the lands are belonging to Felda and leased by FGV. | 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 is located in the FGV Wa Ha complex. It is separated with external areas by means of fencing at the mill complex and effluent area. | Complied |
| 4.3.2.4 | Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). | There are no disputes or claim on the legal acquisition of the land title. This is based on the interviews and the stakeholder's feedback. | Complied |
| | - Minor compliance - | | |
| Criterio | n 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 - | Not applicable since there is no customary rights. | Not applicable |
| 4.3.3.2 | Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance - | Not applicable since there is no customary rights. | Not applicable |



| | Criterion / Indicator | Assessment Findings | Compliance |
|-----------|--|--|----------------|
| 4.3.3.3 | Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance - | Not applicable since there is no customary rights. | Not applicable |
| 4.4 Prine | ciple 4: Social responsibility, health, safety and employn | nent condition | |
| Criterior | 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 assessment of both the above was made in Social Management Plan 2022 (Pelan Pengurusan (Management Plan) Bagi Mengurangkan Impak Alam Sekitar Dari Aktiviti Ladang/Kilang) among others, aimed: a) To assess current condition based on identified potential aspects b) To verify presence of protected & conservation areas that could be significantly affected c) To assess the social & environmental impact on the affected areas/stakeholders arising from the estate/mill activities. d. To comply with various sustainability certification schemes d) The activities involved discussion with the estate management, sighting the documentation, observation on sites and surrounding The Social Management Plan (Pelan Pengurusan (Management Plan) Bagi Mengurangkan Impak Alam Sekitar Dari Aktiviti Ladang/Kilang) for 2022 produced among others includes the following: a) Organization information | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|---|--|------------|
| | | b) Scope of assessment & team c) Methodology assessment timeline, approach and parameters d) SEAI matrix and findings. All sites and the reports were visited and sighted respectively by the auditors in presence of the SCCD, Regional SHO estates and mill personnel. | |
| Criterio | n 4.4.2: Complaints and grievances | | |
| 4.4.2.1 | A system for dealing with complaints and grievances shall be established and documented. - Major compliance - | Complaint procedure has been established by FGV Holdings Berhad and has been documented in the document number FGV/ML-1A/L2- Pr13 title "Menangani aduan dan rungutan" dated 01/04/2019. The complaints will be solved in 14 days (first stage), 14 days (second stage). The complaint must be resolved within 2 months from the date of discussion in third stage While for women, there is specific procedure has been established and documented in the document number ML-1A/L2-PR10(1) dated 22/05/2015. Besides, whistleblowing e-form was available in https://www.fgvholdings.com/whistleblowing/ for the stakeholders to report a grievance. | Complied |
| 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 - | It has been confirmed through interview that any grievances that has been lodged will be responded base on the timeline that has been set. Sample has been taken for 2 complaint from workers for house repairing. a. Date: 13/02/2021, sink leakage and responded on 24/02/2020 | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|---|--|----------------------------|
| | | b. 14/11/2021, lamp replacement and responded 15/11/2021 | |
| 4.4.2.3 | A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance - | The grievances recorded in Complaint Book and Housing Repair Request Form. As per SOP for Complaint & Grievance (Doc no: FGV/ML-1A/L2-Pr13; Issue 01; Rev. 02; Date: 01/04/2019, under clause 7.2.2 external stakeholder, the complainant will be kept informed within 2 weeks from the complaint receiving date. No external complaints received by the mill and estates except for internal stakeholders among employees mainly on housing repair request. | Complied |
| 4.4.2.4 | Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - Minor compliance - | Complaints procedures communicated to internal stakeholders among employees during daily muster assembly and meetings as recorded in the muster briefing records latest on 15/07/2021 to all both employees of mill and estate. As per interview with the workers at FGVPISB Wa Ha POM, 75% of the workers is unable to demonstrate their understanding and awareness related to the complaint procedure. It also has been verified base on the training records for training that has been done 29/11/2021 but not covering all the workers. Thus, minor non- conformities have been raised. | Minor Non- Conformities |
| 4.4.2.5 | Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance - | There is evidence that all complaint and solutions has been maintained by the management since year 2015 and document sighted. | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|---|--|------------|
| 4.4.3.1 | Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance - | Contribution has been made by POM to the local communities and has been recorded. Sample has been taken for donation of food basket for those that has been quarantine due to COVID-19. It has been verified base on memo that has issued by Divisional Head, Plantation department. Other than that, the company will gratitude for those family members that died due to COVID-19. | Complied |
| Criterio | n 4.4.4: Employees safety and health | | |
| 4.4.4.1 | An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented. - Major compliance - | The Group Occupational Safety & Health Management Policy had been established and implemented. There are 2 levels of safety policy engaged by the Mill. a) Pernyataan Polisi Kesihatan Dan Kesihatan Keselamatan signed by CEO dated 05/11/2021 b) Another level of the policy is issued by the CEO of Felda Palm Industries on 01/01/2021 Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees & contractors & visitors. The Policy is implemented among others through the OSH activities by the on-site Safety Health Officers and monitored by OSH/Plantations Sustainability Department from Head Office. | Complied |
| 4.4.4.2 | The occupational safety and health plan should cover the following:a) A safety and health policy, which is communicated and implemented.b) The risk of all operations shall be assessed and documented. | a. The Policy has been established with details elaborated in 4.4.4.1 above. b. The risk of all operations was assessed and documented under HIRARC. The HIRARC for the mill operations was last reviewed on Jan 2022 initiated in 2016. HIRARC for the following stations/operations/activities among others were sighted; | Complied |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | Assessm | ent | Findings | Compliance |
|----|--|----------------------|--|------------------------------------|--|------------|
| c) | An awareness and training programme which includes the following requirements for employees exposed to chemicals | | | | · · · · · · · · · · · · · · · · · · · | |
| | used at the palm oil mill: | 1 | Areas/Activities Weighbridge/Ramp | 9 | Areas /Activities Engine Room | |
| | i. All employees involved are adequately trained on safe | 2 | Fruit Handling | 10 | Product storage /Dispatch | |
| | working practices; | 3 | Sterilizer | 11 | Laboratory | |
| | ii. All precautions attached to products should be properly | 4 | Threshing | 12 | Water treatment | |
| | observed and applied; | 5 | Clarification / Oil Room | 13 14 | | |
| d) | The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as | 0 | Boiler House Electrical | 14 | office workshop | |
| | identified in the risk assessment and control such as Hazard | 8 | | 16 | | |
| | Identification, Risk Assessment and Risk Control (HIRARC). | | | | · | |
| e) | The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. | tł p 4 d. T | he employees handling or rocedures. Details of the .4.6.1. The mill issued PPE to all | chemi e trai l its e | ided. The training includes for cals and other safe working ining organised as shown in employees. The common PPE year) and safety helmets and | |
| 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. | ci ty fo | otton gloves. Other specifi ype of work such as harnes | ed PP s (wo worl | E i.e. are issued for designated orking at height), leather gloves kshop personnel, ear plug for | |
| 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 0 sl | rosedur Kerja Selamat - Pe 36 dated 14/7/10 and Mar hown requirement & sele | engen nual C ection on of | is available in Manual and idalian Bahan Kimia ref FPI-PK- Dperasi Kilang Sawit. Therein is of chemicals, assessment of supplier and transportation of | |



| Criterion / Indicator | Assessment Findings | Compliance |
|---|--|------------|
| h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite. j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals. - Major compliance - | f. The management appointed the Mill Manager as the Chairman for the ESH committee. The appointment was signed by the Head Zone via letter dated 03/1/2022. g. Communications on safety are made through safety meeting /site supervision/dialogue/briefing during the weekly muster. The safety meeting was held 3 monthly having a total of 4 meetings in a year. The dates of meeting held in 2021 were sighted and verified below: Date Attendee Date Attendee 1 29/12/21 17 3 29/6/21 12 The agenda discussed among others as follows: Prestasi keselamatan, kesihatan Lapuran Kemalangan/NEMSO Lapuran audit QOHSE PPE inspection/CHRA Legal compliance Latihan & Program keselamatan Machinery Inspection Environmental Issues and Compliance Status Other matters | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| Criterion / Indicator | Assessment Findings | Compliance |
|-----------------------|--|------------|
| | h. Accident and emergency procedures are available. There is a formation of ERP Team & ERP for all the identified incidences. The organisation chart for the ERP team was appointed and displayed for information of the employees. Drill for fire ERP was latest organised on 29/11/2021. Other ERP were briefed during the weekly gathering and explained during the ad-hoc briefing at individual stations. These training are recorded in the logbook maintained at the operations site. | |
| | i. First Aid Kits were available at all sampled work units Spraying Gang, Harvesting Gang, Workshop, Boiler Station and Chemical Store. The first aid kits were well equipped with first aid items as stated in the list. All items were seen to be replenished at monitored regularly as per the monitoring checklist. The First Aid Kit holders were aware on how to use the items in case of an emergency. | |
| | First Aider Training was conducted at FGVPISB Wa Ha POM on 25/05/2021 attended by 5 first aid box holders. Basic Occupational First Aid, CPR and AED was conducted by MMTC Asia Sdn Bhd on 09/11/2021, attended by the Mill's First | |
| | Aider. First Aid Refresher Briefing was conducted on 11/03/2021 at FGVPM Bukit Aping Selatan Estate, attended by 10 personals | |
| | j. Records of all accidents are kept. Accident incidences are reviewed during safety meetings. Accidents incidences for 2020 were recorded below. Cases LTI Non LTI JKKP Submission 2 99 0 22/01/2021 | |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| | | There was 2 accident reported for the year 2020 in the mill involving 99 days LTA. The JKKP 6 form and accident investigations were available for verification. The JKKP 8 form for the year 2020 has been submitted to DOSH on 22/01/2021 and available for verification. There were no accidents reported in the mill for the year 2021. | |
| Criterio | n 4.4.5: Employment conditions | | |
| 4.4.5.1 | The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees. - Major compliance - | FGV Holdings Berhad has documented on good social practices policy in the Group Sustainability Policy, approved by the Board of Directors dated 17/11/2020. Refer policy no. FGV/SED/POL/001, rev. 4.0. and has been communicated on 10/12/2021. | Complied |
| 4.4.5.2 | The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance - | In "Group Sustainability Policy", Policy No: FGV/SED/POL/001 rev 4.0 dated 17/11/2020 has includes statement for not supporting any discrimination in clause 5.2.1 equality and no discrimination. | Complied |
| 4.4.5.3 | Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance - | FGV Palm Industries Sdn Bhd has sign the Collective Agreement with Kesatuan Pekerja-pekerja FGV Palm Industries Sdn Bhd Semenanjung which valid from 01/01/2019 to 31/12/2021 (Cog. No.: 031/2020) and FGV Plantations (Malaysia) Sdn Bhd has signed Collective Agreement Kesaturan Pekerja-pekerja FGV Plantations (Malaysia) Sdn Bhd Semenanjung which valid from 01/01/2019 to 31/12/2021. Details such as promotion, notice period, resignation, annual leave and overtime were outlined in the agreement. | Complied |

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| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|--|------------|
| | | Sampled total 20 workers agreement for both local and foreign workers in mill are reviewed, and the agreements are signed in local language for different nationalities. Interviewed with the workers confirmed that they understood the terms and conditions of employment contracts and pay slips. | |
| 4.4.5.4 | Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance - | There are no contractor workers working in the FGVPISB Wa Ha POM. | Complied |
| 4.4.5.5 | The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance - | There is master file document for all workers with all information as per records of Labour Employment Report. | Complied |
| 4.4.5.6 | All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance - | Sampled total 20 workers agreement for both local and foreign workers in mill are reviewed, and the agreements are signed in local language for different nationalities. Interviewed with the workers confirmed that they understood the terms and conditions of employment contracts and pay slips. | Complied |
| 4.4.5.7 | The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers. - Major compliance - | There is evidence that working hours and breaks for all workers that comply with legal regulation and collection agreement. Time recording system for estates has been established through the check roll book that has been monitored by the field supervisor. For overtime, it has been recorded in document title "Rekod kerja lebih masa" and for work on rest day and public holiday it has been | Complied |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|---|------------|
| | | recorded in the document title "Borang arahan/ kebenaran kerja lebih masa, kerja pada hari cuti rehat dan kerja pada hari cuti umum". Sample has been taken for month March, July and November 2021. There is also evidence that overtime has been paid accordingly. It has been confirmed through interview with the workers. | |
| | | Deduction for the workers is only for employee provident fund, SOCSO and khairat kematian. | |
| | | All workers in the estate and POM are entitled for 15 day of public holiday and one day of rest day every week. For maternity leave, total 90 days has been allocated. | |
| 4.4.5.8 | The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. | As per employment contract, the working hour is 8 hours/day. Seen all the employees' punch cards with the form titled 'Borang Arahan/Kebenaran Kerja Lebih Masa, Kerja Pada Hari Cuti Rehat dan Kerja' filled up by workers for the overtime. | Complied |
| | - Major compliance - | | |
| 4.4.5.9 | Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance - | Wages and overtime payment have been documented in the pay slips and has been verified based on 8 sample of workers which detailing all the payment been made for all works done including overtime and piece rate works. Stated in the pay slips employees and employer's deduction and total days works. | Complied |
| 4.4.5.10 | Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. | The company provides free medical benefit (panel clinic) and free housing to workers with rubbish collection, water and electric subsidy, football field and game courts. | Complied |
| | - Minor compliance - | | |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|--|--|------------|
| 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 - | FGVPISB Wa Ha POM provides 1 worker with or without family is 1 house to be occupied. Water for domestic usage is provided from Syarikat Air Johor and Tenaga Nasional Berhad with subsidize rate as per collective agreement which are RM15/month for electric and 35 gallon/people/day or RM3.00/people/month with limit of RM15.00/month/family. Besides, government clinic was available in the complex where the employees can easily access to the medical facilities. The employees have provided with AIA Medical Card where they are allowed to visit any panel clinic without paying the medical fees. For Wa Ha POM, the linesite inspection conducted in weekly basis as per record Pemantauan Mingguan Perumahan Pekerja, Doc no: FGV/ML-1A/L4-F20 Issue 1 effective date: 01/06/2016. Since the workers in mill are all locals, they live in the Felda settler's neighborhood. There was extension of housing made in the linesite since the houses are since 1987 and only has 2 small rooms and no garage. The management aware on the extension been done long time ago | 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 - | and has budgeted the new houses in stages. FGV has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where no person shall be subjected to any discrimination in employment, including hiring, compensation, advancement, training, disciplinary action, termination or retirement, on the basis of gender, race, religion. | Complied |
| | | subjected to any discrimination in employment, including hiring, | |



| Criterion / Indicator Asses | | Assessment Findings | Compliance |
|-----------------------------|--|---|------------|
| | | other forms of discrimination. Briefing of the policy was conducted on 20/09/2021 in FGVPISB Wa Ha POM. | |
| 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 Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where FGV Group recognises and respects employees' right to freedom of association and to collective bargaining. Communication on the policy has been done by the management of FGVPM Bukit Aping Selatan Estate on 20/06/2021 and 10/12/201 with attendance staff and workers. | 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 Group Sustainability Policy (Policy No.: FGV/SED/POL/001 dated 17/11/2020 where FGV is committed to employing only persons of the age of 18 and above, FGV recognises that Malaysian laws allow for young persons to be engaged in certain forms of employment. Therefore, no person shall be employed under the age of 15, and any employment of young persons shall not be in a manner that is likely to be hazardous, or to interfere with such person's education, or to be harmful to the person's health or physical, mental, spiritual, moral, or social development at any stage of the employment. There are no children has been employed in FGVPISB Wa Ha POM and has been verified base on the list of workers, site visit and | Complied |



| Criterion / Indicator | | | Assessment | Compliance | | |
|-----------------------|---|--|--|--|--|--|
| 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 - | cove inclu mac the subj inclu | e annual training program has be ers all aspects of the MSPO re ude mill operating procedures chinery maintenance etc. The target group of employees to jects and assisted by SCCD p uded in the annual training program | | | |
| | | 1 2 3 | 1974 USECHH 2000/HIRARC | 10 11 12 | Subjects Water treatment HCV & Biodiversity training. NADOPOD/HIRARC | |
| | | 4 5 6 7 8 | Workplace inspection First Aid SW compliance | 13 14 15 16 17 | 5S /LOTO Chemical management Hearing conservation Safe working procedure Water treatment Plant | |
| | | 9 | Working at height cords of training for FGVPISB W Date Subject 1 16/11/21 FFB Quality - 32 2 21/12/21 Traceability Pi | 18 /a Ha Supp roced ith su | Environ Management POM are shown below. Attendee lier 13 lure 11 ipplier 14 | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| Criterion / Indicator | | | Assessment Findings | | Compliance |
|-----------------------|----|-----------|------------------------------|--------|------------|
| | 5 | 09/2/21 | Fire certificate regulations | 11 | |
| | 6 | 25/3/21 | First Aid Management | 5 | |
| | 7 | 10/1/22 | RSPO/MSPO audit | 14 | |
| | 8 | 09/2/21 | OER / KER performance | 8 | |
| | 9 | 01/1/21 | ERP - First Aid | 9 | |
| | 10 | 19/2/21 | Security Seal procedure | 6 | |
| | 11 | 18/06/21 | Shovel driving in mill | 7 | |
| | 12 | 22/12/21 | Environmental awareness | 6 | |
| | 13 | 24/12/21 | ERP team - management | 19 | |
| | 14 | 22/09/21 | Dialogue with Zone Head | Entire | |
| | 15 | 08/2/21 | BOMBA Fire prevention | 9 | |
| | 16 | 08/12/21 | Operation - Belt conveyor | 6 | |
| | 17 | 27/12/21 | Housing hygiene | Entire | |
| | 18 | 01/11/21 | FFB grading - SOP | 5 | |
| | 19 | 20/12/21 | SW management | 3 | |
| | 20 | 08/11/21 | MSPO / RSPO - Contractor | 7 | |
| | 21 | 01/3/21 | Workshop Operations | 13 | |
| | 22 | 29/3/21 | KAIZEN / 5 S guidelines | 13 | |
| | 23 | 05/4/21 | Representative Employees | 6 | |
| | 24 | 29/3/21 | Dialogue - Group Operations | 13 | |
| | 25 | 12/04/21 | Security Management | 6 | |
| | 26 | 02/3/21 | ERP - First Aid | 8 | |
| | 27 | 09/10/21 | Driving at mill compound | 5 | |
| | 28 | 15/8/21 | COVID-19 - PKP adherence | 7 | |
| | 29 | 05/1/22 | Hearing conservation | 14 | |
| | 30 | 29/11/21 | Fire Drill | Entire | |
| | 31 | 166/04/21 | Task Force - RC briefing | 9 | |
| | 32 | 16/08/21 | Safety Awareness Mill | 6 | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance | | | | |
|--|---|---|------------|--|--|--|--|
| | | 33 04/5/21 SIA / EIA awareness Entire 34 10/9/21 SW identification / storage 3 35 15/06/21 Water treatment SOP 4 36 28/12/21 ECMS awareness 7 37 13/12/21 MSPO/RSPO SCC 10 38 14/12/21 VORSEP operations 5 40 12/10/21 Mill operations / performance 10 41 27/4/21 Mill operations / performance 10 | | | | | |
| 4.4.6.2 | Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance - | The training needs for the mill 2022 training program has been established. The details of the training needs include categories of stations, subjects, and employees' group. Included in this program are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training, machine handling, mill stations operations, control of process parameters, workshop management. etc. The compilation from the approved training needs is later transferred to the formation of the training program. | Complied | | | | |
| 4.4.6.3 | A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure. - Minor compliance - | This is in compliance and detailed in 4.4.6.1 & 4.4.6.2 above. Training program are made on annual basis. In addition, it is subject for a review during the financial year should need arises. | Complied | | | | |
| 4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services | | | | | | | |
| Criterio | n 4.5.1: Environmental Management Plan | | | | | | |



| | Criterion / Indicator | | | Assessment Findings | | Compliance |
|---------|---|-------------|---|---|--------------------------|------------|
| 4.5.1.1 | An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented. - Major compliance – | | | | | Complied |
| 4.5.1.2 | The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations - Major compliance - | the Init | objectives are t iative in plan as ta Area Environmental | Projects Upgrading of final point discharge effluent drain and improved containment wall in 2022. | Uirement. Cost 40K | Complied |
| | | 2 3 4 | Environmental | Upgrading of inspection roads along the effluent ponds with facilities of concrete monsoon drains. Scheduled effluent pond disludging in phases in 2022/23. Daily monitoring of the effluent quality to meet legal compliance. | 100K 200K - | |

MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | | Assessment Findings | | Compliance |
|---------|---|----------------------------|--|--|--|------------|
| | | 5 6 | | Green Air Dust Emission 2022. Additional effluent discharge land application 2022. | 1.75M at 400K | |
| | | esta rec ope spil | e environmental ablished for the m eption, sterilisation eration, power gen llage, ruptured, ef k. The list was rev | | | |
| 4.5.1.3 | An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. - Major compliance – | act pol imp | e mill monitors asp ivities This plan lution and emissi pact to the envionmarised below. | Complied | | |
| | | | Environmental concerns | Solution Procedure/Action Plan | Location | |
| | | 1 | Water Quality | Continuous monitoring water quality at identified points of river for detection of quality/pollution Analysis made at certified laboratory Advisory/guidance from Health Ministry | River, Water Treatment Plant, | |
| | | 2 | Air Quality | requirement on boiler emission | Boiler operation mill complex | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | l | Compliance | | |
|---------|--|-----------------|------------------------------------|---|----------------------------|--|
| | | | | Fibre and shell are used as fuel in the boiler furnace Monitoring of CEMS system | | |
| | | 3 | Scheduled waste | | urce of neration/ re | |
| | | The mo Ma | ese were the ev nitored. The pl | reporting of the listed issues were idence which showed that the pl ans were reviewed annually du / ESH meeting where environmen | | |
| 4.5.1.4 | A programme to promote the positive impacts should be included in the continual improvement plan. | | ails are included inmarised below: | Details as | Complied | |
| | - Minor compliance - | | Area | Projects | Cost | |
| | | 1 | Environmental | Upgrading of final point discharge effluent drain and improved containment wall in 2022. | | |
| | | 2 | Environmental | Upgrading of inspection roads along the effluent ponds with facilities of concrete monsoon drains. | | |
| | | | | Scheduled effluent pond disludging in phases in 2022/23. | 200K | |
| | | 4 | Environmental | Daily monitoring of the effluent quality to meet legal compliance. | | |
| | | 5 | Environmental | Green Air Dust Emission 2022. | 1.75M | |
| | | 6 | Environmental | Additional effluent discharge at land application system in 2022. | 400K | |

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| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|--|------------|
| 4.5.1.5 | An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. - Major compliance - | A training program is available and updated on yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment among others listed below: a) Environmental Quality Act & Regulations 1974 b) Environmental, safety & health policy c) ERP Oil /chemical spill d) Scheduled waste management e) Environmental responsibility, HCV & Biodiversity training. | Complied |
| 4.5.1.6 | The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. - Major compliance - | The environmental issues are discussed in a meeting by the EPMC (Environmental Performance Monitoring Committee) Meeting is held 4x /year. The agenda discussed among others as follows: a) matters arising b) performance of environment compliance c) report on environmental pollution d) self-compliance checklist performance e) effluent treatment /clean air / scheduled waste f) audit report on EMS / RSPO/MSPO g) Domestic waste issues Sighted minutes of meeting dated 04/05/21 and 12/12/21 among others discussing the following: a) Effluent treatment and performance b) Scheduled wastes and others waste management | Complied |



| | Criterion / Indicator | Assessment Findings | Compliance |
|----------|---|---|------------|
| Criterio | n 4.5.2: Efficiency of energy use and use of renewable energy | c) Clean air monitoring d) Environmental Programs In addition, environmental issues were also discussed during the quarterly ESH meetings and briefed during the weekly muster. | |
| 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 time frame. 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 monitoring is recorded in environment performance indicator- electricity generated by steam turbine tabulated for the financial year Jan-Dec. It is calculated as electricity generated from turbine that produces power for the mill entire complex operation unit in kwh/mt FFB. A monthly record on energy consumption for both renewable and non-renewable sources were also maintained documented. It is monitored to optimize use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel. Under the annual energy management plan 2022 the mill aimed for reduction plan among others; a) educate workers on fuel saving practice b) avoid leakages during vehicles maintenance. | 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 - | The mill records the following data and tabulated the ratio against the FFB processed to determine the efficiency of their operations: a) all the diesel used (non-renewable) for the mill operations b) fibre/shell used (renewable) The utilization of fossil fuel in 2021 is being monitored with records shown below: Baseline is 1.37. The mill diesel utilization in 2021 is 298901 liters which tally with the GHG declared figures. | Complied |

MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | | Assessment Findings | | | | | | | | |
|----------|---|--|--|---------------------|--|--|--|--|----------|----------|--|--|
| | | breako | Jan17440312701.79July26580213410.80Feb13760202261.47Aug24970254351.02Mac15940173021.12Sept18800301411.60Apr18020218161.21Oct24040305731.27Ma20070232021.16Nov22100291391.32 | | | | | | | | | |
| 4.5.2.3 | The use of renewable energy should be applied where possible. - Minor compliance - | proces estate | The fibre and shell are used in the boiler for fuel recycled in the process system. Surplus quantity of shell/fibre are delivered to estates for multi purposes or sold to outside buyers. EFB is used in the estates for mulching. | | | | | | | Complied | | |
| Criterio | n 4.5.3: Waste management and disposal | <u> </u> | | | | | | | | | | |
| 4.5.3.1 | All waste products and sources of pollution shall be identified and documented Major compliance - | pollution establic of poll the establic below: | FGVPISB Wa Ha POM had identified all wastes and sources of pollution. The Waste Management Action Plan 2022 were established to mitigate and control the identified wastes and source of pollution. The common significant environmental receptors for the estates and mill operations among others as summarized below:ReceptorSources | | | | | | Complied | | | |

MSPO Public Summary Report

Revision 2 (Nov 2021)

| Criterion / Indicator | Assessment Findings Compli | iance |
|-----------------------|---|-------|
| | Air Sources from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)-GHG | |
| | Water Cleaning water/run-off/process station waters, sterilizer condensate/clarification waste) & boiler quenching water and blow down | |
| | Land Scheduled waste, domestic waste and industrial/process waste. | |
| | waste and pollution are identified and documented in the Waste anagement Plan and Pollution Prevention Plan Financial Year 22 reviewed annually. The waste generated from the mill/estates perations as shown below: | |
| | Type of waste Details | |
| | ScheduledSpent IPA, hexane, filter, lubricants,wastehydraulic oil, grease, used batteries | |
| | Domestic rubbish from the mill/estate complex and waste employees' guarters | |
| | Industrial Fiber, palm kernel shell, boiler ash, scrap iron | |
| | Sewage Sewage from housing/office complex | |
| | e pollution identified from the mill/estate activities: | |
| | Type of waste Details | |
| | Black smoke Emission from Boilers/ vehicles/ engines | |
| | Odor & gases Activities from the effluent treatment | |

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| | Criterion / Indicator | | | Assessment Findings | Compliance | | | |
|---------|---|---|----------------------------------|--|------------|--|--|--|
| | | 3 | Leakage of | | | | | |
| 4.5.3.2 | avoid or reduce pollution. The waste management plan should princlude measure for: a) Identifying and monitoring sources of waste and pollution. | | | Ha POM had identified all wastes and sources of Waste Management Action Plan 2022 were mitigate and control the identified wastes and source ne common significant environmental receptors for nd mill operations among others as summarized | Complied | | | |
| | - Major compliance - | | Receptor Air | Sources Sources from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)- GHG | | | | |
| | | | | Cleaning water/run-off/process station waters (hydro-cyclone /sterilizer condensate/clarification waste) & boiler quenching water and blow down | | | | |
| | | 3 | Land | Scheduled waste, domestic waste and industrial/process waste. | | | | |
| | | | | All waste and pollution are identified and documented in the Waste Management Plan and Pollution Prevention Plan 2022 reviewed annually. The waste generated from the mill/estates operations as shown below: | | | | |
| | | 1 | Type of wa Scheduled waste | | | | | |
| | | 2 | Domestic waste | rubbish from the mill/estate complex and employees' quarters | | | | |



| | Criterion / Indicator | | | Assessm | ent Find | dings | | | Compliance |
|---------|--|---|--|--|--|---|--|---|------------|
| 4.5.3.3 | Criterion / Indicator 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 | was 4 Sev The poll Typ 1 Blace 2 Odd 3 Lea FGVPISI The SO docume a) Ann - Pro | lustrial F ste 2 Nage 2 Iution identifie De of waste 2 Ck smoke 2 Dr & gases 3 Nage of Iubrio B Wa Ha PON DP of handlin | Fiber, palm Sewage from ed from th Deta Emin eng Activition Activition ant Stor 1 had esta g of chen awit Lestan Selamat | e mill ope ails ssion fror ines vities fror age & ve iblished S hicals is | ng/office of erations / m Boilers/ m the effl hicle mai | complex activitie / vehicles uent trea ntenance hemical | s: s/ atment e handling. | Compliance |
| | - Major compliance - | - Pro | Date la 23/10/2: la 11/10/2: | ancuh Rac is dispose SW 305 L - L - | | | dn Bhd r SW 109 - - - | egistered SW 306 - 0.209 - | |

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MSPO Public Summary Report Revision 2 (Nov 2021)

| | Criterion / Indicator | | As | ssessm | ent Fin | dings | | | Compliance |
|-----------|--|--|--|------------|-----------|------------|-----------|-----------|------------|
| | | Wa Ha | 23/09/21 | 0.627 | - | - | 0.01 | - | |
| | | | Date | SW 305 | SW 410 | SW 110 | SW 109 | SW 306 | |
| | | Wa Ha Wa Ha | 29/12/20 25/02/20 | - 0.645 | 0.12 | - 0.018 | 0.08 | 0.07 | |
| | | There wer exercise by MCO comp | e delays in y the mill. I liance via le specifying o | he of the | | | | | |
| 4.5.3.4 | Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers. | procedures chemicals Pengendali Manual Op | No pesticides containers being used in the mill activities. The procedures established in the procedure titled "Handling of chemicals is available in Manual and Prosedur Kerja Selamat - Pengendalian Bahan Kimia ref FPI-PK-036 dated 14/7/10. The Manual Operasi Kilang Sawit is used for guidelines whenever the mill needs to handle of such material when necessary. | | | | | | |
| 4.5.3.5 | Major compliance - Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. Minor compliance - | | Domestic waste for the mill and housing complex are disposed at Majlis Perbandaran Pengerang landfill collected 2/3 x week. | | | | | | Complied |
| Criterion | 4.5.4: Reduction of pollution and emission | | | | | | | | |
| 4.5.4.1 | An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. | The polluting activities are identified and documented in the Environmental Aspect & Impact Identification. From the EAI, it will be evaluated for the impact and any impact will be included in the management plan. The evaluation is documented in the | | | | | | Complied | |

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MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | | ŀ | Assessment Findings | Compliance |
|---------|---|---|--|---|------------|
| | - Major compliance - | ide Pol The | ntified and docun llution Prevention | ct Evaluation. All waste and pollution are nented in the Waste Management Plan and Plan Financial Year 2022 reviewed annually. d from the mill/estates operations as shown | |
| | | | Type of waste | Details | |
| | | 1 | Scheduled waste | Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries | |
| | | 2 | Domestic waste | rubbish from the mill/estate complex and employees' quarters | |
| | | 3 | Industrial waste | Fiber, palm kernel shell, boiler ash, scrap iron | |
| | | 4 Sewage Sewage from housing/office complex | | Sewage from housing/office complex | |
| | | The | e pollution identifie | ed from the mill operations / activities: | |
| | | | Type of waste | e Details | |
| | | 1 | Black smoke | Emission from Boilers/ vehicles/ engines | |
| | | 2 | Odor & gases | Activities from the effluent treatment | |
| | | 3 | Leakage of lubric | cant Storage & vehicle maintenance | |
| | | Inc fiel | e mill also monito clusive in the repor d emission and sir ission and credits | | |
| 4.5.4.2 | An action plan to reduce identified significant pollutants and emissions shall be established and implemented. | The | e action plan to rea | duce the pollution is tabled below: | Complied |



| Criterion / Indicator | | Asse | | Compliance | |
|-----------------------|---|---|---|------------|--|
| - Major compliance - | | Environmental Issues | Management/Action Plan | PIC | |
| | 1 | Boiler-Black smoke | To monitor the condition of dust cyclone every 3 months To carry out boiler furnace cleaning every week | AMM | |
| | 2 | Effluent-Odor & gases | To maintain proper feeding into digestion process of effluent to prevent severe and unpleasant odour | АММ | |
| | 3 | Vehicles/Lorries- Leakage of lubricant/diesel | Ensure maintenance schedule to be strictly followed To place all lubricant oil drum on metal trays. Vehicles awaiting entry into the mill to be switched off | AMM | |
| | 4 | Domestic waste- odor and environmental pollution | Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill. | AMM | |



| | Criterion / Indicator | | A | | Compliance | | | |
|---------|---|---|--|---|--|---|---|----------|
| | | abov | fforts and action p ve at current is ac tified issues have | | | | | |
| 4.5.4.3 | Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations. - Major compliance – | the that proc a) | n oil mill effluent (DOE standards. I the operation w edure and legal re No over flow w recorded daily. S Penyata Suku Tal Sample date | interviév vas in a equirem as obse ubmissio | vs with ope accordance ents. erved, and | erator in ch with standa flow meter | arge revealed ard operation reading was | Complied |
| | | | PH BOD | 59. 20 | 8.60 52 | 8.70 44 | 8.60 23 | |
| | | | COD | - | 364 | 436 | 231 | |
| | | | | Total solids | - | 3100 | 2900 | 1612 |
| | | | S Solids | 200 | 55 | 138 | 40 | |
| | | | Oil & grease | 5.0 | 9.00 | 4.00 | 5.00 | |
| | | | A Nitrogen | 20 | 24 | 12 | 11 | |
| | | | Total N | 200 | 42 | 48 | 34 | |
| | | | The results from DOE parameter li | | scharge we | ere compliar | nce within the | |
| | | FGVPISB Wa Ha POM DOE license no 004743 was for wat discharge requirement of which is BOD less than 20 mg/l. The m in the interim has made the following initiative for the BO reduction among others as stated below. The mill is current | | | | | | |

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| | Criterion / Indicator | Assessment Findings | | | | | | Compliance |
|---------|--|------------------------------|---|---|---|--|---|------------|
| | 1 4.5.5: Natural water resources | bas 1 2 3 4 | is. Projects Environmer Environmer Environmer Environmer | tal Bio-0 Efflu ital com is pri Addi 2022 tal Daily oper | Gas Plant ins ent pond oletion in De ovision for 2 tional of lan monitori ation/quality | ec 2021 at RM7 022 for another nd application s ng of the | 3 units 0K. There 3 ponds system in effluent | |
| 4.5.5.1 | 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: 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.). Major compliance - | revi a) b) c) d) | ewed in Jan 2 rainwater har water from th continual trai | 2022. Amo vesting for ne reservoi ning for wo | ng others th cleaning pu r/catchment orkers on wa | has been estable plan therein estable plan therein estable of the mill operater efficiency contain the reserved the Action P Enforcement zone as nor activities. Follow WI & avoid water poession of the activities of the avoid water poession of the avoid w | mphasized; erations onsumption roir optimal Plan of buffer n-spraying | Complied |

| Criterion / Indicator | | Assess | ment Find | lings | Compliance |
|-----------------------|---|----------------|---------------------------------|--|------------|
| | | | | Follow SW SOP to avoid pollution caused from SW. | |
| | 3 | Line site | Draught Wastage | Every house is on direct SAJ. To schedule water supply to avoid wastage. Awareness on water usage efficiency. Outsource from | |
| | 4 | | Water pollution | neighboring estates. Prohibit workers from activities at water source Monitor condition of septic tank Adhere SW management procedure to avoid pollution caused by SW. | |
| | The mill proce adjacent to the on a monthly in 2021 of free No 2021 | | | | |
| | 1Jan2Feb3Mac | 21119 16595 | 3 FFB / 1744 1376 1594 | 40 1.21 50 1.21 | |

...making excellence a habit." Page 116 of 126

MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | | | 5 | Compliance | | |
|----------|--|----------------------|---|---|--|--------------------|----------|
| 4.5.5.2 | Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. - Major compliance - | met man 1 2 | Nov Dec mill at curren nod. Howeve | r, the followin the BOD reduct al Bio-Gas P al Effluent completio is provisio al Additional 2022 | ng initiatives a tion. Detail lant installatio pond deslu n in Dec 2022 on for 2022 for l of land app | - | Complied |
| 4.6 Prin | ciple 6: Best Practices | | | | | | |
| Criterio | n 4.6.1: Mill Management | | | | | | |
| 4.6.1.1 | Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance - | docu | iments among | | | d in the following | Complied |

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| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|--|---|------------|
| | | ii. Mill Standard Operating Procedure iii. The Mill Quality Management Manual iv. Prosedur Kerja Selamat v. Manual Kelestarian (Sustainability) These documents provide guidelines and standards in the mill operations. The Standard Operating procedure (SOP) described details from: the reception, sterilization, threshing, pressing clarification, depericarping (nut polishing) station effluent, laboratory, workshop, dispatches etc. | |
| 4.6.1.2 | All palm oil mills shall implement best practices. - Major compliance - | and MPOB that are used as guidelines.The monitoring of the mill process is made through the shift supervision headed by an Assistant Engineer. All process parameters are documented and summarized in a daily report.The external monitoring is made through visits by the RC/ZH and also technical personnel from the Head Office. DOSH performed the | Complied |

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| | Criterion / Indicator | | | Assessment Findings | Compliance |
|-----------|---|-----------------------------|---|---|------------|
| | | revi fielo Con tow | ew. There a d/mill supervisit outroller (RC) ards the SOI performance | Report of daily activities/costings/variation Quarterly ESH meeting Internal audits by GCAD / SHO Region SHO 2x/year visits External audit RSPO /MSPO Zone Head / Regional Controller visit. Quarterly JPPK Gugusan Waha Annual EPMC Medical surveillance Annual evels of records beginning from the sors to executives and the Managers. The Regional are accountable to monitor the estates compliance P, budget and productivity among others. Estates / es are reviewed during the monthly meeting with | |
| Criterior | 1 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 - | in tl | he form of ar | ness plan 2022-2026 is available. The document is nual budget and the projection for 5 years (Budget PY4, PY5) prepared as guidance for future planning. | Complied |

MSPO Public Summary Report Revision 2 (Nov 2021)

Criterion / Indicator Assessment Findings Compliance The business plan contains FFB processed, production of CPO & CPK. The Component of operating expenditure among others includes; i. process labour, ii. maintenance external, maintenance parts, iii. consumable, EVIT, iv. admin cost, v. labour overhead. 2022 2023 2024 2025 2026 Unit Cost RM/CPO -----**Operating Cost** -----Total Gen Charges -----Grand total -----FFB (mt) 238K 241K 264K 271K 270K OER % 21.78 21.4 21.6 21.7 21.2 KER % 5.25 5.15 5.20 5.25 5.30 88.23 89.2 97.9 100.6 100.2 Utilization Inclusive in the business plan is also Capital Expenditure (CAPEX) among others showing expenditure on; replacement / upgrading of building/ i. ii. machinery iii. workers' amenities and staff The profit and loss statement were made available prepared by the Regional office/Head Office.

Criterion 4.6.3: Transparent and fair price dealing



MSPO Public Summary Report

Revision 2 (Nov 2021)

| | Criterion / Indicator | Assessment Findings | Compliance |
|---------|---|---|------------|
| 4.6.3.1 | Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance - | Pricing mechanisms effectively documented and implemented based on sample for External FFB Supplier Memorandum of Understanding-MOU (Perjanjian Persefahaman Antara Pembekal BTS Dengan FPISB; Form # FPI/L4/BTS-2.1 Pind 0. | Complied |
| | | Suppliers in general has been briefed and provided with FGV Supplier Code of Conduct (SCOC); April 2019 prior to contractual engagement. The SCOC also available via FGV company's website link: http://www.fgvholdings.com/wp- content/uploads/2019/07/Supplier-Code-of-Conduct-SCOC.pdf. | |
| | | where the SCOC were specified relevant terms of Labour Standards as well as legality to be complied with by suppliers. | |
| | | Sample of other contract including the following: - Contractor: Eng Huat Latex; Tender ref. # WH2038/2019; Contract work: FFB diversion transport; Letter ref. # (01)WH2038/4058/19; Date: 12/9/2019 | |
| | | Pricing mechanism has been detailed in the in the contract agreement base on types of works. There is evidence that pricing mechanism has been agreed by both parties. Base on interview, confirmed that all contractors agreed with the price. Sample of invoices and payment voucher has been taken for April, June and September 2021, and there is evidence that the pricing mechanism has been implemented and payment made on timely manner as per payment term. | |
| 4.6.3.2 | All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. | Refer indicator 4.6.3.1 | Complied |



| Criterion / Indicator | | Assessment Findings | Compliance |
|-----------------------|--|--|------------|
| | - Major compliance - | | |
| Criterion | 4.6.4: Contractor | | |
| 4.6.4.1 | The management shall provide evidence of agreed contracts with the contractor. - Major compliance - | Suppliers in general has been briefed and provided with FGV Supplier Code of Conduct (SCOC); April 2019 prior to contractual engagement. The SCOC also available via FGV company's website link: http://www.fgvholdings.com/wp- content/uploads/2019/07/Supplier-Code-of-Conduct-SCOC.pdf where the SCOC were specified relevant terms of Labour Standards, RSPO and MSPO requirements as well as legality to be complied with by suppliers. | Complied |
| 4.6.4.2 | The management shall provide evidence of agreed contracts with the contractor. - Major compliance - | Sample of other contract including the following: Contractor: Eng Huat Latex; Tender ref. # WH2038/2019; Contract work: FFB diversion transport; Letter ref. # (01)WH2038/4058/19; Date: 12/9/2019. Contract agreement sighted and has been signed by both parties. | Complied |
| 4.6.4.3 | The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance - | All estates under FGV Holdings Berhad has no objection to allow BSI auditors to verify the assessment through physical inspection if required. | Complied |



Appendix B: Smallholder Member Details

| No. | Smallholder | | Location of | GPS Coordinates | | Certified | Planted |
|-----|-------------|------------------------|----------------------------|-----------------|-----------|-----------|-----------|
| | Name | MPOB License Number | Planted Area (District) | Latitude | Longitude | | Area (ha) |
| | N/A | | | | | | |
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Appendix C: Location and Field Map



FGV Wa Ha POM





Bukit Aping Selatan Estate

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PF824 MSPO Public Summary Report Revision 2 (Nov 2021)

Appendix D: List of Abbreviations

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