

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

- Initial Assessment
- Annual Surveillance Assessment (3)
- Recertification Assessment (Choose an item.)
- Extension of Scope

FGV HOLDINGS BERHAD
Client Company (HQ) Address: FGV Holdings Berhad Wisma FGV, Level 20 West, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia
Certification Unit: FGV Palm Industries Sdn Bhd (FGVPIB Lepar Hilir Palm Oil Mill) & FGV Plantations (Malaysia) Sdn Bhd (FGVPM Lepar Hilir 5 Estate, FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 8 Estate)
Date of Final Report: 7/10/2022

Report prepared by:
Mohd Nazib Bin Hj. Marwan (Lead Auditor)

Report Number: 3293239

Assessment Conducted by:
BSI Services Malaysia Sdn Bhd,
(DSM Accreditation Number: MSPO 09112018 CB 12)
Suite 29.01 Level 29 The Gardens North Tower,
Mid Valley City Lingkaran Syed Putra,
59200 Kuala Lumpur, Malaysia
Tel +60392129638 Fax +60392129639
www.bsigroup.com

TABLE of CONTENTS	Page No
Section 1: Executive Summary	3
1.1 Organizational Information and Contact Person	3
1.2 Certification Information	3
1.3 Other Certifications	4
1.4 Location of Certification Unit	4
1.5 Certified Area	4
1.6 Plantings & Cycle	4
1.7 Certified Tonnage of FFB	5
1.8 Uncertified Tonnage of FFB.....	5
1.9 Certified Tonnage	5
1.10 Actual Sold Volume (CPO).....	6
1.11 Actual Sold Volume (PK).....	6
Section 2: Assessment Process	7
2.1 BSI Assessment Team	8
2.2 Impartiality and conflict of interest	9
2.3 Accompanying Persons	9
2.4 Assessment Plan	9
Section 3: Assessment Findings	12
3.1 Details of audit results.....	12
3.2 Details of Nonconformities and Opportunity for improvement	12
3.3 Status of Nonconformities Previously Identified and OFI	15
3.4 Summary of the Nonconformities and Status	17
3.5 Issues Raised by Stakeholders	18
3.6 List of Stakeholders Contacted	19
Section 4: Assessment Conclusion and Recommendation	19
Appendix A: Summary of the findings by Principles and Criteria.....	20
Appendix B: Smallholder Member Details.....	93
Appendix C: Location and Field Map.....	94
Appendix D: List of Abbreviations	99

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 Lepar Hilir Palm Oil Mill	500205504000	30/06/2022
	FGVPM Lepar Hilir 5 Estate	559601002000	31/01/2022
	FGVPM Lepar Hilir 6 Estate	559043002000	28/02/2022
	FGVPM Lepar Hilir 8 Estate	558970002000	31/03/2022
Address	Level 20, West Wisma FGV, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia		
Management Representative	Mr Ameer Izyanif Bin Hamzah		
Website	www.fgvholdings.com	E-mail	ameer.h@fgvholdings.com
Telephone	603-2789 1338	Facsimile	+603-2789 0001

1.2 Certification Information			
Certificate Number	Estate: MSPO 701755 Mill: MSPO 701754	Certificate Start Date	24/03/2019
Date of First Certification	24/03/2019	Certificate Expiry Date	23/03/2024
Scope of Certification	<input checked="" type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	The objective of the assessment was to conduct an Annual Surveillance Assessment 3 and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organisation's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organisation's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system.		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
Stage 1 Date	N/A (The certification unit is RSPO certified)		
Stage 2 / Initial Assessment Visit Date (IAV)	19/12/2018 - 21/12/2018		
Continuous Assessment Visit Date (CAV) 1	21/10/2019 - 23/10/2019		
Continuous Assessment Visit Date (CAV) 2	21/10/2020 - 23/10/2020		

MSPO Public Summary Report

Revision 2 (Nov 2021)

Continuous Assessment Visit Date (CAV) 3	14/12/2021 - 16/12/2021
Continuous Assessment Visit Date (CAV) 4	-

1.3 Other Certifications

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 666408	RSPO Principles & Criteria of Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019	BSI Services Malaysia Sdn Bhd	01/02/2023
MSPO SCCS – TCI - 034-2020	MSPO Supply Chain Certification Standard (MSPO SCCS) 1 October 2018	Trans Certification International Sdn Bhd	26/03/2021

1.4 Location of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
FGVPISB Lepar Hilir Palm Oil Mill	26300 Gambang, Kuantan, Pahang, Malaysia	3° 38' 39.26 " N	103° 0' 40.22 " E
FGVPM Lepar Hilir 5 Estate	Felda Lepar Hilir 5, Mukim Lepar, 26300 Kuantan, Pahang, Malaysia	3° 36' 3.83 " N	103° 0' 40.65 " E
FGVPM Lepar Hilir 6 Estate	Felda Lepar Hilir 6, Mukim Lepar, 26300 Kuantan, Pahang, Malaysia	3° 35' 59.34 " N	103° 0' 40.97 " E
FGVPM Lepar Hilir 8 Estate	Felda Lepar Hilir 8, Mukim Lepar, 26300 Kuantan, Pahang, Malaysia	3° 39' 44.46 " N	103° 5' 3.35 " E

1.5 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
FGVPM Lepar Hilir 5	2,607.61	-	281.93	2,889.54	90.24%
FGVPM Lepar Hilir 6	2,624.78	-	340.82	2,965.60	89.00%
FGVPM Lepar Hilir 8	3,074.71	-	333.76	3,408.47	90.21%
Total (ha)	8,307.10	-	956.51	9,263.61	

1.6 Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		

MSPO Public Summary Report Revision 2 (Nov 2021)

FGVPM Lepar Hilir 5	969.50	1,084.84	-	-	553.27	1,638.11	969.50
FGVPM Lepar Hilir 6	304.44	1,672.1	-	346.37	-	2,018.47	304.44
FGVPM Lepar Hilir 8	-	2,893.98	-	34.49	146.24	3,074.71	-
Total (ha)	1,273.94	5,650.92	-	380.86	669.51	6,731.29	1,273.94

1.7 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Jan 2021 - Dec 2021)	Actual (Oct 2020 - Nov 2021)	Forecast (Mar 2022 - Feb 2023)
FGVPM Lepar Hilir 5	25,907.00	3,0175.56	32,000.00
FGVPM Lepar Hilir 6	43,393.00	3,6774.52	45,000.00
FGVPM Lepar Hilir 8	49,011.00	68,875.67	77,000.00
Total (mt)	118,311.00	135,825.75	154,000.00

1.8 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Jan 2021 - Dec 2021)	Actual (Oct 2020 - Nov 2021)	Forecast (Mar 2022 - Feb 2023)
Burhan Bin Ya'akub	121,500.00	22.57	60.84
Husin Bin Osman		42.50	85.00
Dzulhatta Bin Md Tahar		215.70	431.40
Ravi A/L Raja		1,878.47	3,756.94
Mohamed Tarmizi Bin Suhaimi		2.58	22.14
Tan Hap @ Tan Hup		6.72	80.64
Total (mt)		121,500.00	2,168.54

1.9 Certified Tonnage

	Estimated (Jan 2021 - Dec 2021)	Actual (Oct 2020 - Nov 2021)	Forecast (Mar 2022 - Feb 2023)
	Mill Capacity: 54 MT/hr	FFB	FFB
	118,311.00	135,825.75	154,000.00
SCC Model: MB	CPO (OER: 20.33%)	CPO (OER: 21.02%)	CPO (OER: 20.49%)
	24,053.00	49,184.93	48,071.00
	PK (KER: 4.62%)	PK (KER: 4.11%)	PK (KER: 4.49%)
	5,466.00	9,611.41	10,891.00

MSPO Public Summary Report
Revision 2 (Nov 2021)

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
49,184.93	0	0	0	49,184.93	49,184.93

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
9,611.41	0	0	4,158.98	5,452.43	9,611.41

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 14-16/12/2021. The audit programme is included as Section 2.4. The approach to the audit was to treat the FGV's Lepar Hilir and its supply bases FGVPMLepar Hilir 5 Estate, FGVPMLepar Hilir 6 Estate and FGVPMLepar Hilir 8 Estate as an MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with 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. Major non-conformity been closed off-site and all evidences were sufficient.

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.

MSP0 Public Summary Report
Revision 2 (Nov 2021)

The following table would be used to identify the locations to be audited each year in the 5-year 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 Lepar Hilir POM	√	√	√	√	√
FGVPM Lepar Hilir 5	√	-	√	√	-
FGVPM Lepar Hilir 6	√	√	-	√	√
FGVPM Lepar Hilir 8	-	√	√	-	√

Tentative Date of Next Visit: December 12, 2022 - December 15, 2022

Total No. of Mandays: 11

2.1 BSI Assessment Team

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Mohd Nazib Bin Hj. Marwan (MNZ)	Team Leader	<p>Education: Diploma in Mechanical Engineering. Graduated from Sultan Salahuddin Abdul Aziz Shah in 2007.</p> <p>Work Experience: He is former DOSH Officer (Department of Occupational Safety and Health) from 2003 – 2008. He has conducted audit and inspection related to OSH at various Estates, Palm Oil Mill and Palm Oil Refinery in Selangor. He also has hands on experience in managing his family oil palm plantation (small holders) in Batu Pahat, Johor. He is a qualified Lead Auditor for MS 2530:2013, ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 since 2009 in various industries covering Malaysia and Indonesia.</p> <p>Training attended: He has completed training as follow: ISO 9001:2015 Transition Training in December 2015 ISO 14001:2015 Training in January 2016 RSPO P&C 2013 Lead Auditor Course in May 2017 ISO 45001:2018 in May 2018 Social Auditing in RSPO in January 2019 RSPO P&C 2018 in January 2019 MSPO 2530:2013 Lead Auditor Course and MSPO SCCS in March 2019</p>

MSP0 Public Summary Report
Revision 2 (Nov 2021)

		<p>SMETA Requirement Training in May 2021</p> <p>Aspect covered in this audit: During this assessment, he assessed on the aspect of management commitment and responsibility, transparency, health and safety, environment and best practices.</p> <p>Language proficiency: Fluent in Bahasa Malaysia and English Language.</p>
Hu Ning Shing (HNS)	Team Member	<p>Education: Bachelor’s Degree in science majoring in Applied Chemistry, graduated from University of Malaya on 2011.</p> <p>Work Experience: She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSP0 and RSPO in her previous certification body.</p> <p>Training attended: She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia.</p> <p>Aspect covered in this audit: During this assessment, she assessed on the aspect of management commitment and responsibility, transparency, social responsibility and employment condition.</p> <p>Language proficiency: Fluent in Bahasa Malaysia and English Language.</p>

2.2 Impartiality and conflict of interest

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

2.3 Accompanying Persons

No.	Name	Role
	N/A	

2.4 Assessment Plan

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

Date	Time	Subjects	MNZ	HNS
Monday 13/12/2021	-	Travel from KL to Kuantan	√	√
Tuesday 14/12/2021	0830 - 0900	<p>Opening Meeting MSP0:</p> <ul style="list-style-type: none"> Opening Presentation by Audit Team Leader. Confirmation of assessment scope and finalize Audit plan. 	√	√

MSPO Public Summary Report
Revision 2 (Nov 2021)

Date	Time	Subjects	MNZ	HNS
(FGVPISB Lepar Hilir POM)	0900 - 1230	FGVPISB Lepar Hilir Palm Oil Mill Field Assessment: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	
	1000 - 1100	Stakeholder Consultation		√
	0900 - 1230	Document Review (MS 2530 Part 4), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices		√
	1230 - 1330	Lunch	√	√
	1330 - 1630	FGVPISB Lepar Hilir Palm Oil Mill Field Assessment: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	
	1330 - 1630	Document Review (MS 2530 Part 4), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices		√
	1630 - 1700	Interim Closing briefing	√	√
Wednesday 15/12/2021 (FGVPM Lepar Hilir 5 Estate)	0830 - 1230 1330 - 1630	FGVPM Lepar Hilir 5 Estate: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	
	1230 - 1330	Lunch	√	√
	0830 - 1230 1330 - 1630	Document review (MS 2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices, P7: Development of New Planting		√
	1600 - 1700	Interim Closing briefing	√	√

MSP0 Public Summary Report
Revision 2 (Nov 2021)

Date	Time	Subjects	MNZ	HNS
Thursday 16/12/2021 (FGVPM Lepar Hilir 6 Estate)	0830 - 1230 1330 - 1600	FGVPM Lepar Hilir 6 Estate: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	
	1230 - 1330	Lunch	√	√
	0830 - 1230 1330 - 1600	Document review (MS 2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices, P7: Development of New Planting		√
	1600 - 1700	Interim Closing briefing	√	√
	1600 - 1700	Finalization of audit findings & preparation of closing meeting	√	√
	1700 - 1730	Closing meeting	√	√
Friday 17/12/2021	-	Travelling back from Kuantan to Kuala Lumpur	√	√

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

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

During the assessment there were two (2) Major & one (1) Minor nonconformities raised. The FGVPISB Lepar Hilir POM and supply base 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. Below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
NCR Ref #:	2147628-202112-M1	Issue Date:	16/12/2021
Due Date:	15/03/2022	Date of Closure:	15/03/2022
Area/Process:	FGVPM Lepar Hilir 5 Estate	Clause & Category: (Major / Minor)	MS 2530 Part 3: 4.1.2.2, Major
Requirements:	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.		
Statement of Nonconformity:	The internal audit procedure was not implemented effectively.		
Objective Evidence:	The evidences of non-conformities were submitted by FGVPM Lepar Hilir 5 Estate on 21/09/2021. However, the Lead Auditor verified and closed the non-conformities on 14/10/2021. This has exceeded 60 days to close the non-conformities. This is not accordance to the Sustainability Certification Internal Audit Procedure (SOP No.: FGV/GSD-SCCD/SOP/04, Ver. 0 dated 03/09/2020), Clause 7.7.3 where the corrective action needs to be resolved within 60 days.		
Corrections:	Minute of meeting on January 2022 by SCCD team to discussing this matter.		
Root cause analysis:	No monitoring for NCR closure by Lead internal auditor due to back to back internal audit.		
Corrective Actions:	To fully utilize ECMS system for one of the methods doing and monitor internal audit closure to fix into timeline.		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Assessment Conclusion:	CAP has been accepted and evidence of CAP implementation was verified based on the documented evidence submitted. Refer Meeting conducted by SCCD HQ on Closure of Internal Audit Findings dated 05-07/01/2022 and ECMS system was utilized to monitor internal audit findings closure. Thus, major NC was closed on 15/03/2022.
-------------------------------	--

Non-Conformity Report			
NCR Ref #:	2147628-202112-M2	Issue Date:	16/12/2021
Due Date:	15/03/2022	Date of Closure:	15/03/2022
Area/Process:	FGVPM Lepar Hilir 5 Estate	Clause & Category: (Major / Minor)	MS 2530 Part 3: 4.5.3.2 Major
Requirements:	a) A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.		
Statement of Nonconformity:	Solid waste was not disposed properly.		
Objective Evidence:	Solid waste such as empty engine oil / grease pail, empty plastic bottles and other plastic waste was found scattered under the oil palm tree near to landfill area.		
Corrections:	1) Management to conduct weekly basis for line-site inspection and provide picture before and after at cleaning program line-site inspection. 2) Appoint person in-charge to conduct weekly basis for line-site inspection.		
Root cause analysis:	No monitoring on domestic/recycle waste for workers by management.		
Corrective Actions:	1) Appoint person in-charge for management to monitor the issue of disposal of domestic/recycle waste by regular monitoring every 6 months by Person in charge. 2) Management to conduct awareness on domestic waste management as well as zero burning to workers every 6 months.		
Assessment Conclusion:	CAP has been accepted and evidence of CAP implementation was verified based on the documented evidence submitted as follows: Estates appointed person in-charge to monitor the housekeeping and waste collection including segregation of waste before disposal at the landfill. Refer Appointment letter dated 15/03/2022 with reference number (01)RSPO/P1,P6. Estate has conducted training on waste management on 15/03/2022. Monitoring has been conducted as per Borang Pemeriksaan Harian Kawasan Rumah/Asrama. Thus, major NC was closed on 15/03/2022.		

Non-Conformity Report			
NCR Ref #:	2147628-202112-N1	Issue Date:	16/12/2021
Due Date:	Next Surveillance	Date of Closure:	Open
Area/Process:	FGVPISB Lepar Hilir POM	Clause & Category: (Major / Minor)	MS 2530 Part 4: 4.4.5.4, Minor

MSPO Public Summary Report
Revision 2 (Nov 2021)

Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.
Statement of Nonconformity:	The contractors have yet to comply with the legal requirements.
Objective Evidence:	Reviewed the records of 2 payslips (I/C No.: 960214-06-XXXX and I/C No.: 870805-06-XXXX) for February 2021 and August 2021 found the following issues: <ol style="list-style-type: none"> 1. EPF contribution was not made according to the Employees Provident Fund Act 1991. 2. Number of working days, public holiday and work on rest day was not indicated in the payslips. 3. No evidence of entitlement of annual leave wages was paid to the workers. One of the workers (I/C No.: 960214-06-XXXX) found that the wages for February 2021 was not according to the Sorter FFB Calculation Summary from mill. He has worked 19 days on February 2021 and the salary should be RM 803.89. However, the contractor only paid RM 743.02 as shown in the payslip.
Corrections:	<ol style="list-style-type: none"> 1. Explanation regarding of SOCSO deductions according to the SOCSO Schedule to the Contractor. 2. Re-explain to person in charge (HEP) for the responsibility of monitoring and enforcing legal requirements on contractors. 3. Evidence of payment from the Mill contractor for the sorter's salary in February 2021 who working 19 days.
Root cause analysis:	Understanding and Compliance for Employment Contracts among contractors is unsatisfactory as it is not communicated effectively to the appointed contractors due to lack of meeting involvement or information provided between contractors and projects as well as No monitoring and enforcement from Management & person in-charge to comply with the legal issue.
Corrective Actions:	<ol style="list-style-type: none"> 1. Issue a letter of instruction to the contractor for SOCSO deduction in accordance with the SOCSO Schedule as well as ensure that annual leave, work on public holidays and weekly leave are paid at the appropriate rate. 2. Conduct management review meetings to discuss compliance issues for the employment of contractor employees.
Assessment Conclusion:	The CAP has been reviewed and accepted. The effectiveness of the implementation will be verified during next assessment.

Opportunity For Improvement		
Ref:	N/A	Clause:
Area/Process:		
Objective Evidence:		

Noteworthy Positive Comments	
1.	Good cooperation and involvement from the auditee during audit.
2.	Positive comment from stakeholders with good relationship.

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	1975783-202010-M1	Issue Date:	23/10/2020
Due Date:	22/01/2021	Date of Closure:	27/12/2020
Area/Process:	FGVPISB Lepar Hilir POM	Clause & Category: (Major / Minor)	MS 2530 Part 4: 4.5.1.1 Major
Requirements:	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.		
Statement of Nonconformity:	Found Environmental policy and management plan not effectively communicated and implemented.		
Objective Evidence:	<ol style="list-style-type: none"> 1. Found some of EFB leachate in monsoon drain and not properly channel to ETP system accordingly. 2. Found contaminated PPE was not disposed accordingly. 3. Found oil spillage in monsoon drainage near lubricant store. 4. The scheduled waste was found not dispose more than 180 days. 		
Corrections:	<ol style="list-style-type: none"> 1. Designed the dedicated EFB dumping site so that leachate water flow systematically. 2. Make cleaning work in the area around the scheduled waste store and monsoon drain area. 3. Dispose of scheduled waste immediately. 		
Root cause analysis:	<ol style="list-style-type: none"> 1. Dumping site of EFB located all over the mill making the leachate water flow system is ineffective. 2. There is no monitoring system in the Scheduled Waste Store Area and monsoon drain. 3. No monitoring is done to ensure that Scheduled Waste are not stored for more than 180 days. 		
Corrective Actions:	<ol style="list-style-type: none"> 1. Move the existing leachate water flow system to the bigger SUMP so that it can collect all the leachate. 2. Appoint staff and prepare a check paper to conduct monitoring in the Scheduled Waste Store area and Monsoon drain area. 3. Prepare inspection check paper on Scheduled Waste rules. 		
Assessment Conclusion:	<p>According to evidence as per below: -</p> <ol style="list-style-type: none"> 1. Appointment letter referred letter Bil: (02)RSPO/MSPO dated 22/10/2020, management appoint Khosaimi bin Abu Bakar as SW store attendance and Monsoon drainage inspector to monitor and ensure followed as per regulation requirement. 2. Consignment note for all scheduled waste disposal dated 26/10/2020. 3. As per audit team visit on leachate implementation verification on 18/12/2020 Audit team have reviewed the evidence submitted on 27/12/2020 and the major NC is satisfactorily closed on 27/12/2020. Continuous implementation of corrective action taken will be further verified in the next assessment visit. 		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Verification Statement:	<ol style="list-style-type: none"> 1. Leachate water flow system has been diverted to the bigger sump. 2. Scheduled waste store attendance has maintained and monitor the monsoon drainage and no oil stain observed inside monsoon drain near to the scheduled waste store during field visit. 3. Consignment note for scheduled waste disposal is available. <p>Thus, major NC remain closed.</p>
--------------------------------	--

Non-Conformity Report			
NCR Ref #:	1975783-202010-N1	Issue Date:	23/10/2020
Due Date:	Next Surveillance	Date of Closure:	16/12/2021
Area/Process:	FGVPM Lepar Hilir 8 Estate	Clause & Category: (Major / Minor)	MS 2530 Part 3: 4.5.5.1 Minor
Requirements:	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ol style="list-style-type: none"> a. Assessment of water usage and sources of supply. 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.). 		
Statement of Nonconformity:	The coverage of the water management plan was inadequate.		
Objective Evidence:	At FGVPM Lepar Hilir 8 Estate, during the site visit at the workers' hostel (Asrama Kubur and Asrama 17X) it was found that several taps at the bathrooms were left opened and unattended. This had caused the loss of water through overflow from the tubs to the drains.		
Corrections:	<ol style="list-style-type: none"> 1. Give regular warnings to hostel workers related to closing the water tap. 2. Appoint a gardener in the dormitory to check the water tap. 3. Update the water management plan. 		
Root cause analysis:	The issues waste of water at worker's hostel never been discussed seriously at estate management after several reminder was told during morning rollcall.		
Corrective Actions:	<ol style="list-style-type: none"> 1. Install water saving signage in the employee dormitory area. 2. Make an application to replace the tap to the type of buoy 		
Assessment Conclusion:	Audit team have reviewed and accept the Corrective Action Plan (CAP) submitted and the minor NC CAP implementation will be further verified in the next assessment visit.		
Verification Statement:	Signages on water saving and briefing was conducted during morning muster call to workers. There were no taps left opened at the housing area during line-site visit. Thus, minor NC was closed.		

Non-Conformity Report			
NCR Ref #:	1975783-202010-N2	Issue Date:	23/10/2020
Due Date:	Next Surveillance	Date of Closure:	16/12/2021

MSPO Public Summary Report
Revision 2 (Nov 2021)

Area/Process:	FGVPM Lepar Hilir 8 Estate and FGVPM Lepar Hilir 6 Estate	Clause & Category: (Major / Minor)	MS 2530 Part 3: 4.4.4.2 Minor
Requirements:	The occupational safety and health plan shall cover the following: i. Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.		
Statement of Nonconformity:	Sighted First aid kit was not equipped with approved contents and not handle by trained employee.		
Objective Evidence:	a) The management (FGVPM Lepar Hilir 8 estate) trained in First Aid dated 27/1/2020 to all field operations however found En Khairi Saad did not attend the first aid training. A First Aid Kit equipped with approved contents available at each worksite however sighted (Lotion/iodin) was expired on May 2020. b) The management (FGVPM Lepar Hilir 6 estate) trained in First Aid dated 20/7/2020 to all field operations however found Mandore (En Mohd Rosli) did not attend the first aid training.		
Corrections:	Conduct the First aid training to all first aid kit holder		
Root cause analysis:	The management has conducted the First Aid Training on July 2020, however not all the first Kit Holder attend the training.		
Corrective Actions:	Conduct training evaluation /training assessment to make sure all first aid kit holder is well trained.		
Assessment Conclusion:	Audit team have reviewed and accept the Corrective Action Plan (CAP) submitted and the minor NC CAP implementation will be further verified in the next assessment visit.		
Verification Statement:	Supervisors and Mandore has attended first aid training and able to explain how to use the first aid kit. The first aid kit content was checked on monthly basis and with no of its contents found expired during field visit. Minor NC was closed.		

Opportunity For Improvement			
Ref:	N/A	Clause:	
Area/Process:			
Objective Evidence:			

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
1723882-201812-M1	4.4.4.2 Part 3 & 4 Major	21/12/2018	Closed on 17/01/2019
1723882-201812-M2	4.5.3.3 Part 3 Major	21/12/2018	Closed on 17/01/2019
1723882-201812-N1	4.4.6.3 Part 4 Major	21/12/2018	Closed on 23/10/2019
1841172-201906-M1	4.3.1.1 Part 4 Major	23/10/2019	Closed on 17/01/2020
1841172-201906-M2	4.4.4.2 Part 4 Major	23/10/2019	Closed on 17/01/2020

1841172-201906-M3	4.3.1.1 Part 3 Major	23/10/2019	Closed on 17/01/2020
1841172-201906-N1	4.5.3.5 Part 3 Minor	23/10/2019	Closed on 23/10/2020
1841172-201906-N2	4.4.1.1 Part 3 Minor	23/10/2019	Closed on 23/10/2020
1975783-202010-M1	4.5.1.1 Part 4 Major	23/10/2020	Closed on 27/12/2020
1975783-202010-N1	4.5.5.1 Part 3 Minor	23/10/2020	16/12/2021
1975783-202010-N2	4.4.4.2 Part 3 Minor	23/10/2020	16/12/2021
2147628-202112-M1	4.1.2.2 Part 3 Major	16/12/2021	15/03/2022
2147628-202112-M2	4.5.3.2 Part 3 Major	16/12/2021	15/03/2022
2147628-202112-N1	4.4.5.4 Part 4 Minor	16/12/2021	Open



3.5 Issues Raised by Stakeholders

Stakeholders comment	
1	<p>Feedbacks: Female Workers - They informed that the management treated the female workers equally with male workers. No discrimination occurred. They also informed that no case of sexual harassment and domestic violence reported.</p> <p>Audit Team verification and response: Reviewed the payslips, employment contracts and records of meeting minutes of Gender Committee confirmed that no discrimination and sexual harassment reported.</p>
2	<p>Feedbacks: Syarikat Hasdari Jaya – They informed that they have signed contract agreement with the FGV prior to provide services. The terms and conditions have clearly stated in the agreement included the payment term. The payment was made promptly. They had briefed on the MSPO requirements.</p> <p>Audit Team verification and response: Reviewed the agreements and payment records found no lapse on the payment terms.</p>
3	<p>Feedbacks: Tabika Kemas – She informed that there was no child labour employed by FGV as the students were attended school as per school terms. She understands the complaint procedure and so far, there is no any complaint reported. However, she has requested some assistance from the management such as clean the drainage system and surrounding of the kindergarten’s compound.</p> <p>Audit Team verification and response: This will be further verifying during next assessment.</p>
4	<p>Feedbacks: Workers’ Representatives - They have meeting with the management to discuss any issues related to workers. All the issues reported were taken action by the management and resolved accordingly. No pending complaint during the time of audit. The wages were paid accordance to Minimum Wage Order 2020 and overtime was paid as per Employment Act 1955 and Collective Agreement.</p> <p>Audit Team verification and response: Reviewed meeting minutes and payslips found no issue.</p>

3.6 List of Stakeholders Contacted

Government Officer: Tabika Kemas	Community/neighbouring village: Nil
Suppliers/Contractors/Vendors: Syarikat Hasdari Jaya	Worker's Representative/Gender Committee: Storekeeper Indonesian Worker General Worker

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment FGV PISB Lepar Hilir POM and supply base certification unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of FGV PISB Lepar Hilir POM and supply base Certification Unit is continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: NOROLSAIFUL HAZRI BIN HAMID	Name: MOHD NAZIB BIN MARWAN
Company name: FGV HOLDINGS BERHAD	Company name: BSI SERVICES MALAYSIA SDN. BHD.
Title: SUSTAINABILITY MANAGER	Title: CLIENT MANAGER
Signature: 	Signature: 
Date: 24/06/2022	Date: 17/06/2022

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Appendix A: Summary of the findings by Principles and Criteria

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	FGV Holdings Berhad has established Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0) which approved by Board of Directors on 17/11/2020. The objective of the policy is to establish the objectives and guidelines for FGV Holdings Berhad and its Group of Companies (collectively referred to as the "FGV Group" or "Group") for the fulfilment of FGV's commitments with regard to sustainability matters.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	In Clause 5.0 of the policy above has emphasized the company will continuously improve the quality of their products and services by adopting the best possible approaches to enhance productivity and profitability by optimising resources and operational efficiencies, while eliminating or minimising negative impact on people and the environment.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	FGV Holdings Berhad has developed Sustainability Certification Internal Audit Procedure (SOP No.: FGV/GSD-SCCD/SOP/04, Ver. 0 dated 03/09/2020) as a guideline to carry out internal audit for the certification standards such as RSPO, MSPO, ISCC and other	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	sustainability certifications. The frequency of the internal audit is at least once a year. The internal audit was conducted on 02-05/08/2021 for FGVPM Lepar Hilir 6 Estate and 02-06/08/2021 for FGVPM Lepar Hilir 5 Estate. Checklist for Remote Audit RSPO & MSPO 2021 was sighted. There was no non-conformity raised during the internal audit for FGVPM Lepar Hilir 06 Estate.	
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 -	As verified in the Checklist Remote Audit RSPO & MSPO 2021 for FGVPM Lepar Hilir 6 Estate found no non-conformity was raised. There were 7 non-conformities raised during the internal audit for FGVPM Lepar Hilir 5 Estate. Corrective action plan was established with root caused identified, correction and corrective actions. The evidences were submitted by FGVPM Lepar Hilir 5 Estate on 21/09/2021. However, the Lead Auditor verified and closed the non-conformities on 14/10/2021. This has exceeded 60 days to close the non-conformities. This is not accordance to the Sustainability Certification Internal Audit Procedure (SOP No.: FGV/GSD-SCCD/SOP/04, Ver. 0 dated 03/09/2020), Clause 7.7.3 where the corrective action needs to be resolved within 60 days. Therefore, Major non conformity has been raised.	Major non-Conformity
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The result of the internal audit was available to the management and it has reviewed during the management review meeting.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>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.</p> <p>- Major compliance -</p>	<p>The last management review meeting was conducted on 20/08/2021 in FGVPM Lepar Hilir 6 Estate and 30/09/2021 in FGVPM Lepar Hilir 5 Estate. The meeting was chaired by the Estate Manager. The input that had discussed by FGVPM Lepar Hilir 06 Estate during the meeting as below:</p> <ol style="list-style-type: none"> 1. Results of audit 2. Customer feedback 3. Results of production 4. Environmental 5. Social 6. Replanting 7. Management studies 8. Continual improvement 9. Other resources needed 	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate has developed continual improvement plan for Y2021. Action plan was available to include the issues from social, environmental, safety and health and optimization of production. The targets are as below:</p> <ol style="list-style-type: none"> 1. Social: Workers' welfare meeting - to conduct the workers' welfare quarterly to ensure the welfare issues are resolved. 	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		2. Environment: Reduce the usage of chemical – reduce the chemical usage and replace with other chemical. 3. Optimizing of production: To achieve the crop based on budget 2021 – to ensure sufficient harvesters, harvesting cycle achieve, canopy management. 4. OSH: to reduce the accident rate of involving harvesting and road accident to 25%. 5. Technology: To use machine for grass cutting.	
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 -	Any new information is updated to employees through morning briefings, memo, meetings, station training. FGVPM Lepar Hilir 06 Estate has implemented new technology by using Prime Mover (Mechanization to load FFB) since October 2021.	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 -	Action plan mostly involved training of workers for the implementation of mechanization techniques within estate field operation established for estates.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or	FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate has issued a memo on the list of documents that are publicly available upon requested by the stakeholders on 18/01/2021 and 15/12/2021 respectively.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	disclosure that could result in negative environmental or social outcomes. - Major compliance -		
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 -	<p>FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate has issued a memo on the list of documents that are publicly available upon requested by the stakeholders on 18/01/2021 and 15/12/2021 respectively.</p> <p>List of documents that made publicly available as below:</p> <ol style="list-style-type: none"> 1. Land title 2. OSH plan 3. Environmental and social management plan 4. SEIA report 5. HCV report 6. Complaint and grievance procedure 7. Land dispute procedure 8. Policies such as Human Rights and Group Sustainability Policy 9. Assessment report of audits 10. And etc. <p>Besides, documents such as company's policies, Supplier Code of Conduct and grievance procedure is accessible by the stakeholders via company's website: Policies & Guidelines - FGV Holdings Berhad.</p>	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	FGV Holdings Berhad has established SOP ' <i>Komunikasi, Penglibatan dan Rundingan</i> ' (Doc. No.: FGV/ML-1A/L2-Pr12, Issue 1 dated 01/06/2016). The objective of the SOP is to establish an effective system for communication between company and stakeholder. Briefing of the procedure was conducted on 21/01/2021 in FGVPM Lepar Hilir 6 Estate.	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 -	Assistant Estate Managers of FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate have been appointed as Communication and Social Officer. Appointment letter dated 10/06/2021 and 15/03/2021 respectively.	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 -	Stakeholder list was developed in both estate with stakeholders such as local community, local authorities, contractors, suppliers and school representatives were included into the list. There was no stakeholder meeting conducted on Y2021 in FGVPM Lepar Hilir 06 Estate and FGVPM Lepar Hilir 05 Estate due to COVID-19 outbreak in the estate. A memo was issued to the stakeholders on the list of publicly available document and has informed the stakeholder the method to report complaint and grievances. Interviewed with the stakeholders confirmed that they have been briefed on the complaint procedure and they do not have any issues with the management.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements	FGVPM Lepar Hilir POM and Estate has implemented supply chain program based on SOP MSPO SCCS (Mass Balance) (MSPO SCCS, Issue No: 1, Dated: 22/10/2018) and MLSL(Ed.3)-Sec.4(8.0) dated 1	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	for traceability of the relevant product(s). - Major compliance -	September 2017. The procedure established for the implementation of all supply chain requirements for both POM and estate.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections on compliance with the established traceability system were conducted through internal audit. Standard Operating Procedure was established with routine responsibilities of mill management and staff to conduct related inspections on compliance of all operations including traceability system was identified. The inspections were regularly implemented accordingly. The SOP established is as follow: a) Manual Ladang Sawit Lestari / Manual Operasi Kilang b) Manual Keselamatan c) Manual Sustainability	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Assistant manager was appointed to implement and maintain the traceability system with the responsibility for the implementation of the procedure. Relevant personnel have been assigned from various departments to assist in the implementation.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	The records related to the transportation of FFB is available at the estate. Sampled dispatch ticket as follow: FGVPM Lepar Hilir 6 Despatch Note: 172475 Weighbridge Ticket No: 01451763 Date: 14/12/2021 Weight: 9.8 mt Transporter: CEF7872	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Felda Global Ventures Plantations (Malaysia) Sdn Bhd has obtained approval from <i>Jabatan Tenaga Kerja Semenanjung Malaysia</i> to make deduction of wages of workers as below:</p> <ol style="list-style-type: none"> 1. Ref. No.: (22) dlm BHG. PU/9/129 Jld 23 dated 26/04/2016 for electricity bill, water bill and medical bill exceeded the subsidized limit. (RM 4 for water, RM 6 for electricity and RM 200 for medical) <p>FGVPM Lepar Hilir 6 Estate</p> <ol style="list-style-type: none"> 1. MPOB License: 559043002000 valid until 28/02/2022. 2. KPDNHEP Diesel Storage License Ref No: PHG/PD/K/19/2018, Cert Ni: C003475, Storage Capacity: 10,000 liter, valid until: 15/11/2024 3. KPDNHEP Petrol Storage License Ref No: PHG/P/K/030/2020, Cert No: C002470, Commodity: Petrol RON95, Storage Capacity: 100 liter/daily, Supplier: BHP Lepar Hilir 01, valid until: 17/03/2022 <p>FGVPM Lepar Hilir 5 Estate</p> <ol style="list-style-type: none"> 1. MPOB License (Sell and Transfer FFB) – License No: 559601002000 valid until 31/01/2022 2. MPOB License (Nursey) – License No: 569156011000 valid until 31/01/2022. 3. KPDNHEP (Permit Khas Barang Kawalan Berjadual), PK S/N: C002492, Ref No: PHG/PD/K/023/2021 Bil 9/2021, Diesel – 200 liter/day and Petrol – 100 liter/day, Supplier: BHP Lepar Hilir 01, valid until 26/04/2022. 	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		4. Sijil Kebenaran Penggunaan Sumber Air from Pahang Water and Energy Resources S/N:0066, Account No: 03210100014, Water Intake: Sungai Lepar, valid until 31/12/2021	
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	List of applicable legal and other requirements are available during the assessment and maintained in the QSHE/04/5.2.4 folders. The Legal & Other Requirements Register (LORR) covers all the necessary regulatory requirements. LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base such as 1. Occupational Safety and Health Act 1994 2. Factories and Machinery Act 1967 3. Environmental Quality Act 1974	Complied
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	Estate has established, implemented and maintained procedure of Sistem Semakan Perubahan Undang-undang; Doc. Type: Guideline; Date: 23/6/2016; Rev. 4 for updating of any new amendments or new regulations coming into force.	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 -	Estate manager was assigned as the overall responsible person to monitor compliance with assistance by assistant managers and officers to track and update changes in regulatory requirements.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.	There was no evidence that the oil palm cultivation activities are diminishing the land use rights of other users.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p style="text-align: center;">- Major compliance -</p>	<p>FGVPM Lepar Hilir 6 Estate has legal land use rights and the land is belong to FELDA. This has verified through the land titles and sampled the land titles as below:</p> <ol style="list-style-type: none"> 1. Title No.: 3599; Lot No.: PT 3349; Total area: 370.7 ha 2. Title No.: 3600; Lot No.: PT 3351; Total area: 498.2 ha 3. Title No.: 3601; Lot No.: PT 3348; Total area: 357.4 ha <p>FGVPM Lepar Hilir 5 Estate has legal land use rights and the land is belong to FELDA. This has verified through the land titles and sampled the land titles as below:</p> <ol style="list-style-type: none"> 1. Title No.: 3588; Lot No.: PT 3338; Total area: 259.2 ha 2. Title No.: 3592; Lot No.: PT 3344; Total area: 233.1 ha 3. Title No.: 3594; Lot No.: PT 3345; Total area: 530.2 ha 	Complied
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p style="text-align: center;">- Major compliance -</p>	<p>The estates have maintained boundary demarcation using boundary stone. Seen the record of Monitoring of Boundary Stones available in FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate.</p>	Complied
4.3.2.4	<p>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).</p> <p style="text-align: center;">- Minor compliance -</p>	<p>There was no land dispute reported during the time of audit as the land is belong to FELDA.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The land is legally owned by FELDA and leased to FGV. The existing land is not encumbered by any customary land rights.	Not Applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - Minor compliance -	The land is legally owned by FELDA and leased to FGV. The existing land is not encumbered by any customary land rights.	Not Applicable
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance –	The land is legally owned by FELDA and leased to FGV. The existing land is not encumbered by any customary land rights.	Not Applicable
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	SIA was conducted on 26/11/2019 for FGVP Lepar Hilir 6 Estate and 27/11/2019 for FGVP Lepar Hilir 5 Estate by the Sustainability Compliance and Certification Department. The methodology of the assessment was through sampling of stakeholders to be interviewed. Stakeholders were consulted during the stakeholder meeting as well. Positive and negative impacts were identified and incorporated into the management plan. Social Management Plan Year 2020 was developed in FGVP Lepar Hilir 06 Estate and FGVP Lepar Hilir 05 Estate to	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>promote the positive impacts and mitigate the negative impacts. A new SIA was conducted on 15/11/2021 and pending for final report. Sampled of the impacts as below:</p> <p>1. Impact: Wearing inappropriate PPE.</p> <p>Action to be taken: To discuss the issue in OSH meeting.</p> <p>Status: Seen the OSH meeting minutes dated 21/09/2020 where topic of issuance of PPE was discussed. A census of safety shoe size was conducted and order record to purchase the safety shoe was sighted. DO# DO2104-074 dated 27/04/2021 was available.</p>	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has established SOP for "<i>Menangani Aduan dan Rugutan</i>" with Doc. No.: FGV/ML-1A/L2-Pr13 dated 01/04/2019. The procedure is to provide a system for the internal and external stakeholders to lodge complaint and grievances to the management.</p> <p>The complaints will be solved in 14 days (first stage), 14 days (second stage). The complaint has to be resolved within 2 months from the date of discussion in third stage if the issue needs to be escalated to <i>Wilayah Office</i>. Any issues that can be resolved within the operating unit, it has to be closed within 14 days.</p> <p>Besides, grievance reporting channels were published in the company's website, https://www.fgvholdings.com/whistleblowing/. The channels of reporting such as through letter, email, in person or Hotline Toll Free call. The whistleblowing e-form was available in https://www.fgvholdings.com/sustainability/grievance/# for the stakeholders to report a grievance.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>A memo was issued to stakeholders on the method/ channel to raise complaint and grievance dated 04/01/2021 in FGVP M Lepar Hilir 06 Estate was sighted. Complaint box and complaint book available or they can contact the Communication and Social Officer.</p> <p>Briefing of the procedure was conducted on 22/09/2021 in FGVP M Lepar Hilir 6 Estate and 28/10/2021 in FGVP M Lepar Hilir 5 Estate and seen the record of briefing.</p>	
4.4.2.2	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p>- Major compliance -</p>	<p>FGVP M Lepar Hilir 6 Estate and FGVP M Lepar Hilir 5 Estate has implemented Complaint Book to record any external complaints and Complaint Book for workers including housing defect. Reviewed the evidence of actions taken found that the complaint was resolved in timely manner.</p>	Complied
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p>- Minor compliance -</p>	<p>There was a Complaint Box in front of the office with Complaint Form available. The stakeholders and workers have access to the form to lodge complaint if any.</p>	Complied
4.4.2.4	<p>Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p>- Minor compliance -</p>	<p>Briefing of the procedure was conducted on 22/09/2021 in FGVP M Lepar Hilir 6 Estate and 28/10/2021 in FGVP M Lepar Hilir 5 Estate and seen the record of briefing. Interviewed with the stakeholders confirmed that they are understand on the process of complaint and grievances.</p>	Complied
4.4.2.5	<p>Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.</p> <p>- Major compliance -</p>	<p>Records of complaint were available for the past 24 months.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>FGV Plantations (M) Sdn Bhd has made contribution by supplying foods basket for workers who are under quarantine due to COVID-19 and under Movement Control 3.0. Circular with Ref.# (112) Korporat/Surat Am/COVID-19/2021 dated 09/08/2021 and Ref.# (52) Korporat/Surat Am/COVID-19/2021 dated 15/06/2021 was sighted. Seen the local invoices for the foods and goods purchased by FGVPM Lepar Hilir 06 Estate. Seen the list of workers who received the foods baskets in both FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate. Besides, free transportation to send the children of workers to school. This has confirmed with the workers.</p>	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>The Occupational safety and health policy were established and maintained. The Policy was implemented through the OSH activities by the Safety Officers. OSHE Policy has include commitment of the organization to provide and maintain a safe and healthy working environment of its employees & contractors & visitors. Verified as per interviewed with management and workers at site</p>	Complied
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p>	<p>a) The policy established documented as Dasar Kualiti, Keselamatan, Kesihatan Pekerjaan dan Alam Sekitar (Quality, Occupational Safety and Health and Environment Policy); Signed by: CEO FPISB; Rev. 10; Date: 20/11/2017;</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p>	<p>b) Risk of all operations has been identified and documented in HIRARC form. HIRADC documented in FGV/FGVPM/F/IMS/1.3 Pind 1 reviewed on 16/04/2021</p> <p>Risk assessment for workers handling chemicals was conducted by appointed Hygiene Technician. CHRA for FGVPM Lepar Hilir 6 Estate was conducted on 10/05/2017 (Report No: JKPP HIE 127/171/2(8)-2017/011). Medical surveillance for 2020 was conducted to 12 workers on 16/10/2020 without abnormal result. Medical surveillance for 2021 is still ongoing with 27 workers involved in chemical spraying and manuring.</p> <p>c) Awareness training and programme was established. Workers handling chemicals were adequately trained. Chemicals stored accordingly in the chemical store with adequate ventilation and hazard signages. The SDS for chemicals available at chemical store and at point of use. Health and safety briefings also conducted during muster to improve awareness amongst workers.</p> <p>d) Suitable PPE was provided to workers and recorded in 'Buku Penyerahan PPE kepada pekerja'. PPE provided to estate workers according to risk assessment conducted such as chemical/dust mask, respirators, hand gloves (cloth, latex) apron, safety helmets, safety shoes/rubber boots relevant to the work handled by the workers.</p> <p>e) The management was established Standard Operating Procedure for handling of chemicals (FGVPM/L3/PK-16) to ensure proper and safe handling and storage in accordance to OSH (CLASS) Regulations 2013 and OSH (USECHH) Regulations 2000.</p>	

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>f) The management has appointed estate manager as chairman for the Safety and Health Committee and assisted by Assistant Manager and representative from both employers and employees. Sighted for FGVPM Lepar Hilir 6 – Estate Manager (Noor Azizan B Zainun) was appointed as OSH Committee Chairman which is responsible for worker’s safety and health. (Ref No: (30)FGVPM/9511/OSHA20-WK) dated 06/01/2020</p> <p>g) The estate management has established OSH Committee as regular two-way communication with their employees to discuss on health, safety and welfare issues at least once in every 3 months. Verified OSH committee meeting for Y2021 as follows FGVPM Lepar Hilir 6 – 04/03/2021, 24/06/2021 and 22/09/2021 FGVPM Lepar Hilir 5 – 02/03/3031, 23/06/2021 and 29/09/2021</p> <p>h) Accident and emergency procedure were established and documented as “Pelan Tindakan Kecemasan” for flood, fire breakout, chemical spillage, workplace accident and riot. Flowchart and emergency contact number was displayed at notice board and emergency assembly area was identified for all estates.</p> <p>i) First aider is available at estate audited such as for FGVPM Lepar Hilir 5 – BOFA Competency certificate/card for Abidin EAC-2221-0413, Mohd Fauzi Bin Bidin EAC-2221-0410 & Rasydan Syah B Daim EAC-2221-0728 was sighted. First Aid Kit equipped with approved contents are available at sites.</p> <p>j) Accident and incident record are available and reviewed during OSH Committee meeting conducted on quarterly basis. Records sighted as follows</p>	

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>FGVPM Lepar Hilir 6 Estate – 3 accidents recorded in 2021 was reviewed in meeting (Mesyuarat Pembentangan Kes Kemalangan) dated 25/02/2021 and 23/08/2021. Incident dated 16/02/2021 (Abdus Salam), incident dated 10/05/2021 (Kamruzzaman) and incident dated 21/08/2021 (Md Ruhul Amin). Accidents reported to DOSH and verified as per JKPP6. JKPP 8 for Y2020 was submitted on 13/01/2021 (Ref No: JKPP 8/64039/2020) with total of 4 incidents reported. Total man-hours worked for 2020: 559,104 with average of 224 workers.</p> <p>FGVPM Lepar Hilir 5 Estate – One (1) accident recorded due to motorcycle accident in field area. JKPP6 was submitted to DOSH on 08/10/2021.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company respect human rights by upholding international human rights principles and standards as encapsulated in the Universal Declaration of Human Rights (UDHR), and other applicable international human rights treaties, subject to the laws and regulations of the countries and territories in which FGV Group operates. In fulfilling its responsibility to respect human rights, FGV Group is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs).</p> <p>Briefing to the workers was conducted on 14/01/2021 in FGVPM Lepar Hilir 6 Estate and 06/07/2021 in FGVPM Lepar Hilir 5 Estate.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company 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.</p> <p>Briefing to the workers was conducted on 14/01/2021 in FGVP Lepar Hilir 6 Estate and 06/07/2021 in FGVP Lepar Hilir 5 Estate.</p> <p>Interviewed with the workers confirmed that the management treated all the workers equally.</p>	Complied
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Total 24 workers' payslips and employment contracts were sampled and found that the workers were paid according to the company's policy, Collective Agreement which valid from 01/01/2019 to 31/12/2021 and legal requirements.</p>	Complied
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>The workers have signed on the employment contract prior to work. Terms and conditions were clearly stated in the employment contract. Reviewed the payslips found the workers were paid accordingly.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.5	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	eRML-estate system was implemented where the full name, gender, date of birth, date of entry, years of service, position and wages were recorded in the system.	Complied
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	All the workers employed in the estate have signed on the employment contract in the local languages. They have briefed on the terms and conditions during their pre-employment process and when arrival in One-Stop Centre. For local workers, all the terms and conditions are referring to the Collective Agreement signed between FGV Plantations (Malaysia) Sdn Bhd and <i>Kesatuan Pekerja-pekerja FGV Plantations (Malaysia) Sdn Bhd Semenanjung</i> which valid from 01/01/2019 to 31/12/2021.	Complied
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate has implemented " <i>Kad Kerja</i> " system to record the working hours and productivity for workers and "Punch Card" system for office staff to record working hours and overtime. Verified the <i>Kad Kerja</i> and Punch Card found the workers were paid accordingly.	Complied
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate has implemented " <i>Kad Kerja</i> " system to record the working hours for workers and "Punch Card" system for office staff to record working hours and overtime. Verified the <i>Kad Kerja</i> and Punch Card found the workers were paid accordingly. Interviewed with the workers confirmed that they were given time to break. Overtime was in voluntarily basis.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	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 were clearly indicated in the payslip and all the payment was according to the legal requirements and Collective Agreement.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	The management has subsidized the cost of medical care of total RM 200 per year, RM 4 for water bill and RM 6 for electricity bill. Food baskets were provided to all workers and those who under quarantine. Free school bus was provided to the children of 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 -	All workers are provided with housing facilities that furnish with sanitation facilities, water and electricity supplies. Water and electricity usage is subsidized by the company and these conditions are stated in the collective agreement. Interview with workers confirms that there is no issue related to the payment of water and electricity. Linesite inspection was carried out on daily basis and weekly basis in FGVP Lepar Hilir 6 Estate and by Clerk HEP. Records of inspection was sighted with no issue reported. Site visit to the housing area found satisfactory. Besides, FGVP Lepar Hilir 6 Estate has repainted the houses and seen the SPK# 5600004454 dated 30/07/2021. Site visit to the housing area found all houses are newly painted. FGVP Lepar Hilir 5 Estate has conducted weekly inspection by HEP Clerk. Seen the records of inspection from October 2020 to November 2021. The management is in the progress to upgrade the housing such	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		as wiring, painting and water meter. Seen the SPK# 5600004645 dated 09/09/2021.	
4.4.5.12	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company shall not tolerate any form of harassment and abuse including physical, sexual, psychological or verbal. Everyone shall be treated with respect and dignity.</p> <p>Briefing to the workers was conducted on 14/01/2021 in FGVPM Lepar Hilir 6 Estate and 06/07/2021 in FGVPM Lepar Hilir 5 Estate.</p> <p>Gender Committee/ KKD was established in FGVPM Lepar Hilir 6 Estate and FGVPM Lepar Hilir 5 Estate. Meeting was conducted on 12/12/2021 in FGVPM Lepar Hilir 06 Estate and 14/04/2021 in FGVPM Lepar Hilir 05 Estate. Reviewed the meeting minutes and found no issue was reported during the meeting. Interviewed with the female worker confirmed that no sexual harassment issue reported.</p> <p>Complaint process for sexual harassment was established and briefed to the committee during the meeting.</p>	Complied
4.4.5.13	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p>	<p>FGV Holdings Behad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where FGV recognises and respects employees' right to freedom of association and to collective bargaining.</p> <p>Briefing to the workers was conducted on 14/01/2021 in FGVPM Lepar Hilir 6 Estate and 06/07/2021 in Lepar Hilir 5 Estate.</p> <p>FGV Plantations (M) Sdn Bhd has a collective agreement with <i>Kesatuan Pekerja-pekerja</i> FGV Plantations (M) Sdn Bhd Semenanjung which</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	<p>- Major compliance -</p>	<p>valid from 01/01/2019 to 31/12/2021 to outline all the benefits of the workers.</p> <p>Workers' Welfare Committee was established in FGVPM Lepar Hilir 6 Estate. There were meetings conducted on 13/01/2021, 24/06/2021, 07/07/2021 and 07/09/2021. No issue reported as reviewed in the meeting minutes.</p>	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company 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.</p> <p>Besides, the contractors/ third party service provider have signed on the Supplier Code of Conduct, FGV Holdings Berhad where prohibition of child labour who under the age of 18.</p> <p>Document reviewed on the master list of employees and the contractor's workers found that no child labour sighted.</p>	Complied
Criterion 4.4.6: Training and competency			

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator	Assessment Findings	Compliance																																		
<p>4.4.6.1 All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Both FGVP M Lepar Hilir 6 Estate and FGVP M Lepar Hilir 5 Estate have organised trainings for their employees. There were also sessions held with presence of contractors and vendors with business relationship with the organisation.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Latihan Membaja dan Pemakaian PPE</td> <td style="text-align: right;">27/01/2021</td> </tr> <tr> <td>Latihan Merumput, Kalibrasi Merumput Latihan Premix</td> <td style="text-align: right;">19/02/2021</td> </tr> <tr> <td>Workers contract</td> <td style="text-align: right;">05/04/2021</td> </tr> <tr> <td>Safety Briefing – menaiki & menurun kenderaan (pengangkutan pekerja)</td> <td style="text-align: right;">18/05/2021</td> </tr> <tr> <td>Buffer Zone</td> <td style="text-align: right;">18/06/2021</td> </tr> <tr> <td>Latihan Pemakaian PPE & Merumput</td> <td style="text-align: right;">23/09/2021</td> </tr> <tr> <td>First Aid Box & First Aid</td> <td style="text-align: right;">08/10/2021</td> </tr> <tr> <td>Policy Briefing MSPO & RSPO</td> <td style="text-align: right;">22/11/2021</td> </tr> <tr> <td>Fire Fighting</td> <td style="text-align: right;">25/11/2021</td> </tr> </tbody> </table> <p>FGVP M Lepar Hilir 5 Estate</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Fire Fighting</td> <td style="text-align: right;">25/11/2021</td> </tr> <tr> <td>First Aid Training</td> <td style="text-align: right;">08/12/2021</td> </tr> <tr> <td>IPM Training</td> <td style="text-align: right;">18/11/2021</td> </tr> <tr> <td>HCV Management</td> <td style="text-align: right;">26/06/2021</td> </tr> <tr> <td>PPE & chemical Application</td> <td style="text-align: right;">22/04/2021</td> </tr> <tr> <td>Open Burning</td> <td style="text-align: right;">15/03/2021</td> </tr> <tr> <td>PPE Usage for Harvesting</td> <td style="text-align: right;">10/03/2021</td> </tr> <tr> <td>PPE Usage for Spraying</td> <td style="text-align: right;">15/02/2021</td> </tr> </tbody> </table>	Latihan Membaja dan Pemakaian PPE	27/01/2021	Latihan Merumput, Kalibrasi Merumput Latihan Premix	19/02/2021	Workers contract	05/04/2021	Safety Briefing – menaiki & menurun kenderaan (pengangkutan pekerja)	18/05/2021	Buffer Zone	18/06/2021	Latihan Pemakaian PPE & Merumput	23/09/2021	First Aid Box & First Aid	08/10/2021	Policy Briefing MSPO & RSPO	22/11/2021	Fire Fighting	25/11/2021	Fire Fighting	25/11/2021	First Aid Training	08/12/2021	IPM Training	18/11/2021	HCV Management	26/06/2021	PPE & chemical Application	22/04/2021	Open Burning	15/03/2021	PPE Usage for Harvesting	10/03/2021	PPE Usage for Spraying	15/02/2021	<p>Complied</p>
Latihan Membaja dan Pemakaian PPE	27/01/2021																																			
Latihan Merumput, Kalibrasi Merumput Latihan Premix	19/02/2021																																			
Workers contract	05/04/2021																																			
Safety Briefing – menaiki & menurun kenderaan (pengangkutan pekerja)	18/05/2021																																			
Buffer Zone	18/06/2021																																			
Latihan Pemakaian PPE & Merumput	23/09/2021																																			
First Aid Box & First Aid	08/10/2021																																			
Policy Briefing MSPO & RSPO	22/11/2021																																			
Fire Fighting	25/11/2021																																			
Fire Fighting	25/11/2021																																			
First Aid Training	08/12/2021																																			
IPM Training	18/11/2021																																			
HCV Management	26/06/2021																																			
PPE & chemical Application	22/04/2021																																			
Open Burning	15/03/2021																																			
PPE Usage for Harvesting	10/03/2021																																			
PPE Usage for Spraying	15/02/2021																																			

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
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 -	Training needs of individual employees had been identified prior to the planning and implementation of the training programmes to provide the specific skill and competency required to all employees based on their job description. The training matrix for 2021 "Training Needs Analysis (TNA) 2020/2021".	Complied
4.4.6.3	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. - Minor compliance -	It was evident that from the training matrix, all trainings had been planned and implemented to ensure that all employees are well trained in their job function and responsibility. Complied 4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem service FGVPM Lepar Hilir 6 Estate – Program Tahunan Latihan Bagi Petugas, Pekerja & Kontraktor Y2021 was sighted.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	FGV Holdings Berhad has established Environmental Policy Statement (FGV Holdings Berhad) dated 05/11/2021 (Doc No: FGV/GHR/HSEQ/POL/002, Rev 0.0 -FGV/GGD/SD/008, Rev 2.0). Briefing was conducted regularly during morning muster call by the estate management to all workers.	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 environment management plan dated 20/10/2021 has included all pertinent environmental receptors and in lined with company's policy and legal requirement as per EQA 1974. Sighted the Report of Environmental Aspect and Impact for operation in estate FGV/FGVPM/IV/IMS/15/1.6 Pind 1 dated 25/8/2020.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	Environmental management plan for 2021 (Pollution & Emission) available. Significant environmental issues identified: 1. Buffer zone 2. Chemical handling 3. Domestic waste 4. Scheduled waste 5. Zero burning Assistant manager has been appointed to monitor the overall implementation of the management plan.	Complied
4.5.1.4	A programme to promote the positive impacts should be include in the continual improvement plan. - Minor compliance -	Programmed to promote positive impacts on environment was verified example such as Programme of HCV have been done and recorded dated 26/06/2021 for FGVPM Lepar Hilir 5 Estate.	Complied
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. - Major compliance -	Training program was identified and 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. This can refer to indicator 4.4.6.1.	Complied
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Latest environmental meeting was conducted together with the OSH committee meeting at Estate Office. Environmental issues were discussed in the meeting which include schedule waste disposal, training, general waste, recycle waste, buffer zone, no open burning and etc.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	The record of Diesel usage was available for FGVP M Lepar Hilir 5 Estate and FGVP M Lepar Hilir 6 estate. All electrical power at the visited estates are supplied through national electricity grid. Diesel at estates are consumed by farm tractors and buy at petrol station in village. The tractor servicing period is monitored to ensure its operating efficiency, thus less consumption of diesel fuel.	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 -	Management of estates has maintained records of energy usage, which is compiled on monthly basis for monitoring. The use of the fossil fuel against the FFB production is being monitored.	Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	So far, there was no opportunity to use renewable energy in both Estates at current technology. Mainly such practices are made in the mills whereby fibres and shell are used as fuel in the boiler for steam production thereafter for power generation.	Complied
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Estates has established the Landfill procedure SMP-GPB-12 Rev:01 dated 1 December 2014. Pelan Pengurusan Domestik Dan Bahan Buangan Tahun 2021 was established to monitor activities as	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>scheduled with the date/month recorded. This was sighted and verified.</p> <p>The landfill has signboard displayed and properly demarcated. The area is sufficiently distant from habitation and water contamination. The site disposal area (landfill area) is shown and marked in the estate map. The estates also maintained records of source identification source and type of scheduled waste.</p>	
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p> <p>- Major compliance -</p>	<p>Pelan Pengurusan Sisa Domestik Dan Bahan Buangan Tahun 2021 established has identified the type of waste material as follows:</p> <p>a) Source from estate & mill operation i.e. empty fertiliser bags, used tyres and scrap metal/used woods.</p> <p>b) Source from office & housing activities i.e. papers, plastic, glass, rags, aluminium, domestic food waste, kitchen waste, etc. EFB if utilised will only be for general uses e.g. mulching for the replant and for the recreational purposes / growth support for the ornamental plants.</p> <p>At FGVPM Lepar Hilir 5 Estate, Solid waste such as empty engine oil / grease pail, empty plastic bottles and other plastic waste was found scattered under the oil palm tree near to landfill area. Thus, a major nonconformance was raised.</p>	Major non-compliance
4.5.3.3	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p>	<p>Standard Operating Procedure for handling used chemicals classified under Environment Quality Regulation (Scheduled Waste) 2005, Environmental Quality Act, 1974 are available prepared on Group level by SQD and implemented in all estates and mills for all the applicable practices. The operational control procedures provide guidelines as follows:</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	a) Management of class 2 (and higher) chemical containers b) Management of fertilizer bags	
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 -	Empty pesticide containers were punctured and send to Bukit Sagu 4 for disposal. Disposal record sighted for FGVPM Lepar Hilir 06 – Pengangkutan Bahan Buangan Terjadual dari Ladang ke Pusat Pengumpulan Berpusat (FGVPM/L2/PAS-08, dated 23/01/2020) delivery date: 15/11/2021 for SW409 (Used PPE – Chemical Spraying) Quantity: 4 kg delivery location: Bukit Sagu 4 and Rekod Pelupusan Tong Racun & Bahan Kimia. Recycle waste was collected by contractor for recycling – Sri Perumal Recycle Trading, Receipt No: 230055049 dated 11/12/2021, Empty Drum: 110 pcs.	Complied
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	FGVPM Lepar Hilir 6 Estates, signage for landfill for domestic waste is available at PM99 was opened on 28/11/2021.	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 GHG assessment, scheduled waste and solid waste was available under aspect and impact assessment. The assessment of all polluting activities is defined in the Estate – Pollution & Emission Plan endorsed on 5/9/2019 was remain unchanged.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Action plan to reduce significant pollutants and emissions for both the estates assessed their polluting activities was identified in the environmental management program. The potential sources of	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		pollutants, objective & targets and action to be taken is available under aspect and impact environment from the estate activities.	
Criterion 4.5.5: Natural water resources			
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. 	<p>The water management plan available for reviewed dated 20/10/2021 to maintain the quality and availability of natural water resources (surface and ground water). The water management plan include;-</p> <ul style="list-style-type: none"> a. Two water source been declared from water government (PAIP) and water from collection pond. b. The monitoring of outgoing water in FGVP M Lepar Hilir 6 there are a river (Sg Sema). As per monitoring of outgoing water (Sg Sema). c. To optimize the water and nutrient usage to reduce wastage, management to monitoring the pipe leakage in residential area, ensure no leakage of spraying pumps and educate the workers regarding to promotes water conservation. Sample implementation of water leakage as per linesite inspection done on weekly basis. d. For protection of water courses, site visit at area PR13Q sighted no chemical activity trace in bufferzone area e. No trace of natural vegetation in riparian areas has been removed. All in good condition. f. No bore well is being use for water supply 	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	There is no construction of bunds, weirs and dams across main rivers or waterways passing through sampling estate.	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 -	Water harvesting practices was implemented. It was only used for washing compound at estate office.	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. - Major compliance -	The HCV and biodiversity study for FGVPM Lepar Hilir 6 – dated 14/12/2016 been assess by PSD, from FGVHB 1/12/2018 (Kemaskini), Sungai Sema & boundary with Lepar Forest reserve. Relevant action plans had been established and implemented concerning protection of the riparian, such as identification on map and ground, restriction of no chemicals activities, awareness training to workers and patrolling by Auxiliary Police.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> a) Ensuring that any legal requirements relating to the protection of the species are met. b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. <p>- Major compliance -</p>	<p>As per verification, there is no RTE species in the area as per assessment. The monitoring record "Rekod Pemantauan Hidupan Liar & Kawasan Sensitif" is available for review. The signage discouraging any illegal or inappropriate hunting, fishing or collecting activities available verified during site visit. Relevant programme to workers pertaining awareness of HCV areas and RTE observed conducted. Interview with employees noted that awareness programme had been conducted. Employees were aware of:</p> <ul style="list-style-type: none"> a) Not to capture, harm, kill any wildlife. b) Disciplinary measures shall be taken if found violating company rules. c) Not to chemicals in riparian buffer zone. 	Complied
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The Environment Improvement & Management plan on the protection of HCV areas is available. Estates has 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.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p> <p>- Major compliance -</p>	<p>The Group policy of "Zero open burning" was established and enforced since 01/06/2014. The operating units 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 both the estates. Both estates recorded replanting program for the forthcoming 5 years. Refer details in 4.6.2.2.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. - Major compliance -	Not applicable because no evidence of any open burning activities on site.	Not Applicable
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	Not applicable because no evidence of any open burning implementation on site.	Not Applicable
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	This is included in the specification of work orders in event of land preparation during a replanting. It is a standard practice in Felda Agricultural Services/FGV. The organisation excluded stages relating to shredding, pulverized and ploughing in the land preparations.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	The estates operations are guided by the manual and procedures established for the Group Estates. The documents were established in manual lestari in June 2012. Thereafter being subject to review as changes are made with new work method and amendments in agricultural policies. - Manual Ladang Sawit Lestari - Manual Keselamatan	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Manual Sustainability - Manual Greeding BTB – MPOB - Buku KUK 4 (Kadar Upah Kerja) Pekerja - Manual Perolehan (Procurement) - Pictorial Safety Standards - Security Guidelines. 	
4.6.1.2	<p>Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p> <p>- Major compliance -</p>	<p>The estates construct terraces at slope area of more than 6 degrees. Planting of cover crop are made to retain the soil structure and conservation.</p> <p>a) Roadside pit is made to divert water at slope areas to prevent road erosion and surface damage.</p> <p>b) Terraces are constructed inclined towards the terrace wall.</p>	Complied
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>All fields are marked and identified. Information like year planting (field number) and the total hectare is shown in all markers. There are both stencilled at the palm trees and also displayed in signages at the boundary/corners of every fields. This was observed during the field visit in both estates.</p>	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>The annual business plan is available as per the Group Financial Procedure. & Guidelines. Both estates had a similar format i.e. in the form of annual budget with a 5 years projection. (Budget year, PY2, PY3, PY4, PY5). This business plan is prepared as guidance for future</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		planning. The budget contains palm year of planting, age categories, and FFB production.	
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	Both estates established a replanting program spanned over a 5-year period till 2024. All programs were sighted. All replanting program and planning in all the Group Estates Assistance and audit are performed as and when required and necessary. FGVPM Lepar Hilir 6 Estate – Unjuran Program Tanam Semula (RSPO-P3/C.3.1/3.1.2. Y2023 Location PM01F (86.25 ha) and for 2021, PM99E (260.17ha) FGVPM Lepar Hilir 5 Estate – Program Tanam Semula Y2021 – 402.57ha and Y2022 – 553.07ha, location: PM97F	Complied
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production: cost per tonne of FFB d) Price forecast e) Financial indicators: cost benefit, discounted cash flow, return on investment - Major compliance -	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 estates had a format and guideline to calculate the returns on the field operations such as Income=sale of FFB (with award of CPO/CPK from the mill) less the expenditure (fixed and direct cost).	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 estates 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.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		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 PA and Head for the performance review.	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Payment term was explained in the procedure of <i>Mengangkut Buah Tandan Segar Sawit ke Kilang Memproses (Kawasan Bin System)</i> with Doc. No.: FGVPM(P)0112 dated June 2017. The payment will be made once a month based on the approved FFB tonnage.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	The contractors have signed an agreement/ <i>Surat Perintah Kerja</i> prior to work. Sampled the agreement for the contractors as below: <ol style="list-style-type: none"> 1. SPK# 5300003849 for transporting FFB from estate to mill (bin system) which valid until 28/02/2022. 2. SPK# 5300002864 for transporting FFB from estate to mill which valid until 28/02/2023. 3. SPK# 5300006256 for transporting FFB from estate ramp to mill which valid until 28/02/2022. Seen the payment records as below: <ol style="list-style-type: none"> 1. INV# 0534 dated 01/09/2021; Payment was made on 2009/2021 with Payment Voucher# 350292883 	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		2. INV# 0539 dated 01/10/2021; Payment was made on 12/10/2021 with Payment Voucher# 350296810 3. INV# 0543 dated 02/11/2021; Payment was made on 10/11/2021 with Payment Voucher# 350302149 4. INV# 1019 dated 01/11/2021; Payment was made on 10/11/2021 with Payment Voucher# 350302133 5. INV# 0056 dated 02/11/2021; Payment was made on 10/11/2021 with Payment Voucher# 350302137	
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractors engaged by the estates has been signed on the addendum for MSPO requirements and they have been briefed on the MSPO requirements. Interviewed with the contractor also found that they understood the requirements of MSPO. Besides, the contractors have signed on Supplier Code of Conduct, FGV Holdings Berhad where stated all the requirements to be complied by the contractors. Contractors in FGVPM Lepar Hilir 5 Estate have been briefed on the MSPO & RSPO requirements on 17/04/2020.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	The contractors have signed an agreement/ <i>Surat Perintah Kerja</i> prior to work. Sampled the agreement for the contractors as below: 1. SPK# 5300003849 for transporting FFB from estate to mill (bin system) which valid until 28/02/2022. 2. SPK# 5300002864 for transporting FFB from estate to mill which valid until 28/02/2023.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		3. SPK# 5300006256 for transporting FFB from estate ramp to mill which valid until 28/02/2022.	
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	As per the addendum signed in indicator 4.6.4.1, the contractors agreed to accept auditors to verify the assessment if necessary.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	On FFB transporters a reconciliation databank monthly from mill is reconciled through monthly report by estate and agreed by contractor.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	Not applicable since no new development within sample estates.	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.	Not applicable since no new development within sample estates.	Not Applicable

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
- Major compliance -			
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	Not applicable since no new development within sample estates.	Not Applicable
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	Not applicable since no new development within sample estates.	Not Applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	Not applicable since no new development within sample estates.	Not Applicable
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	Not applicable since no new development within sample estates.	Not Applicable
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of	Not applicable since no new development within sample estates.	Not Applicable

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	<p>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.</p> <p>- Minor compliance -</p>		
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	<p>Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.</p> <p>- Major compliance -</p>	Not applicable since no new development within sample estates.	Not Applicable
4.7.4.2	<p>Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.</p> <p>- Major compliance -</p>	Not applicable since no new development within sample estates.	Not Applicable
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	<p>Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.</p> <p>- Major compliance -</p>	Not applicable since no new development within sample estates.	Not Applicable
4.7.5.2	<p>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.</p> <p>- Major compliance -</p>	Not applicable since no new development within sample estates.	Not Applicable

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
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 no new development within sample estates.	Not Applicable
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	Not applicable since no new development within sample estates.	Not Applicable
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 no new development within sample estates.	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. - Major compliance -	Not applicable since no new development within sample estates.	Not Applicable
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.	Not applicable since no new development within sample estates.	Not Applicable

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	Not applicable since no new development within sample estates.	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 no new development within sample estates.	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 no new development within sample estates.	Not Applicable
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	Not applicable since no new development within sample estates.	Not Applicable

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	FGV Holdings Berhad has established Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0) which approved by Board of Directors on 17/11/2020. The objective of the policy is to establish the objectives and guidelines for FGV Holdings Berhad and its Group of Companies (collectively referred to as the "FGV Group" or "Group") for the fulfilment of FGV's commitments with regard to sustainability matters.	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 -	In Clause 5.0 of the policy above has emphasized the company will continuously improve the quality of their products and services by adopting the best possible approaches to enhance productivity and profitability by optimising resources and operational efficiencies, while eliminating or minimising negative impact on people and the environment.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	FGV Holdings Berhad has developed Sustainability Certification Internal Audit Procedure (SOP No.: FGV/GSD-SCCD/SOP/04, Ver. 0 dated 03/09/2020) as a guideline to carry out internal audit for the certification standards such as RSPO, MSPO, ISCC and other	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		sustainability certifications. The frequency of the internal audit is at least once a year. Seen the checklist for Internal Audit for RSPO/ MSPO where the internal audit team has audited based on six main aspects such as social, environmental, economy, acts & regulations, policies and management documents. The last internal audit was carried out on 02 – 06/08/2021.	
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 -	As verified in the report of non-conformity Integration Internal Audit of Sustainability 2021 found total 10 non-conformities were raised during the last internal audit. Root cause was identified with correction taken. All the non-conformities were closed accordingly.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The result of the internal audit was available to the management with the corrective action plan developed. The results of internal audit were reviewed and discussed during the management review meeting conducted on 30/08/2021.	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 -	The last management review meeting was conducted on 30/08/2021 with total 13 participants. The meeting was chaired by the Mill Manager. The input that had discussed during the meeting as below: 1. Results of audit 2. Customer feedback 3. Production	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		4. Environment 5. Social 6. Continual improvement plan 7. Management studies	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	Continual improvement plan Year 2021 was established. Action plans available to include the issues from social, environmental impact, safety and health and technology. The sampled CIP as below: 1. Technology – To install Rodos in condensate pond. 2. To increase OER from 20.43% to 21.00%. 3. To achieve zero accident in mill for Y2021. 4. To reduce the usage of diesel.	Complied
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Any new information/ technology is updated to employees through morning briefings such as Standing Meeting.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
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 -	FGVPISB Lepar Hilir POM has issued a memo on the list of documents that are publicly available upon requested by the stakeholders on 05/01/2021. Besides, a memo on the channel to make complaint or grievance was issued to stakeholders on 12/01/2021 and seen the records of receipt by stakeholders.	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 -	FGVPISB Lepar Hilir POM has issued a memo on the list of documents that are publicly available upon requested by the stakeholders on 05/01/2021. The memo was publicly displayed at the notice board outside the office, security post and canteen. List of documents that made publicly available as below: <ol style="list-style-type: none"> 1. Land title 2. OSH plan 3. Environmental and social management plan 4. SEIA report 5. HCV report 6. Complaint and grievance procedure 7. Land dispute procedure 8. Policies such as Human Rights and Group Sustainability Policy 9. Assessment report of audits Besides, documents such as company's policies, Supplier Code of Conduct and grievance procedure is accessible by the stakeholders via company's website: Policies & Guidelines - FGV Holdings Berhad .	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	FGV Holdings Berhad has established SOP ' <i>Komunikasi, Penglibatan dan Rundingan</i> ' (Doc. No.: FGV/ML-1A/L2-Pr12, Issue 1 dated 01/06/2016). The objective of the SOP is to establish an effective system for communication between company and stakeholder. The procedure was briefed on 15/03/2021 to the workers.	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 -	Assistant Executive has been appointed as Communication and Social Officer for mill and seen the appointment letter dated 15/11/2021.	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 -	Stakeholder list was established that include the FFB suppliers, local authorities, contractors and suppliers. Stakeholder meeting was conducted on 08/10/2021 in FGVPISB Lepar Hiir POM which involved FFB suppliers. There was no issue reported by the stakeholders as verified in the stakeholder meeting minutes.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	FGVPISB Lepar Hilir POM and Estates has implemented the supply chain program based on SOP MSPO SCCS (Mass Balance) (MSPO SCCS, Issue No: 1, Dated: 22/10/2018) and MLSL(Ed.3)-Sec.4(8.0) dated 1/9/2017. The procedure was prepared by to cover the implementation of all supply chain requirements for both POM and estate.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections on compliance with the established traceability system were conducted through periodical internal audit. Furthermore, a Standard Operating Procedure was sighted where it was described the routine responsibilities of mill management and staff to conduct related inspections on compliance of all operations including traceability system. Verification on site confirmed the inspections were regularly implemented accordingly. The SOP sighted as follow: a) Manual Ladang Sawit Lestari / Manual Operasi Kilang b) Manual Keselamatan c) Manual Sustainability Sampling on regular inspection from management	Complied
4.2.3.3	The management shall identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The procedure also specified that the assistant manager and staff appointed shall have the overall responsibility for the implementation of the procedure with assignment of relevant personnel from various departments to assist in the implementation. Sighted the Letter of Appointment for assistant manager dated 28/7/2019 from Estate 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 -	Records of receiving, storage, sales and delivery of FFB CPO and PK was maintained. Sighted sample as follows: FFB (Akuan Penerimaan BTS) dated 29/11/2021, Pass No: 01450023, Supplier: FGVPM Lepar Hilir 6, Delivery Note No: 172318, Truck No: VBK1467, Nett Weight: 7.15MT, CPO (Akuan Penghantaran CPO) dated 3011/2021, Pass No: 03017004, Delivery Note: H00000953, Sales Order:	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		SI/9045/9GAE/1121/01, Delivery No: H00000953/2021, D/O: D04060021113556, Truck No: CCM6497, Nett Weight: 41.25MT PK (Akuan Penghantaran Isi Sawit) dated 28/11/2021, Pass No: 04003913, Delivery Note: L00000218, Contract No: RSPG7144E, Sales Order: RSPG7144E, Delivery No: L00000218/2021, D/O No: 004060321111512, Truck No: VEH4896, Nett Weight: 41.71MT	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. - Major compliance -	FGVPISB Lepar Hilir POM continued to comply with legal Requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and sustainability team. The licenses and permits governed by the Local, State and Federal authorities among others as shown below; 1. Energy Commission license serial no:41832; Capacity: not exceeding 3600 kW valid until 31/12/2021 2. KPDNHEP Diesel license serial no:C001884; Ref no: PHG/PD/K/34/2015; Approved quantity: 25,000 liter. Valid until 30 May 2024. 3. MPOB license No: 618370015000 valid until 30/06/2022, License No: 500205504000 valid until 31/03/2022 and License No: 618347003000 valid until 30/06/2022. 4. Pahang state water extract license serial no: 0089, Account No: 03210100007, Water Intake: Lepar River, valid until 31/12/2021	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		5. Audiometric test report done periodically; the record available for review. Conducted by Klinik Syed Badaruddin Sdn Bhd (HQ/08/DOC/00/7). The result recorded 69 abnormal audiogram and 1 Standard threshold. In Lepar Hilir POM, the Audiometric test conducted on 25/7/2020. 6. Baseline Noised Risk Assessment for Lepar Hilir mill was available conducted by Yellow Tulips Resources (HQ/08/PEB/00/87) dated 5 May 2020. 7. Department of Environment license S/N: 003247 valid until 30/06/2022	
4.3.1.2	The management shall list all relevant laws related to their operations in a legal requirements register. - Major compliance -	Applicable legal requirements listed as Register of Laws and List of Relevant Act, Laws and Regulations; as per sample sighted: - Register of Legal and Other Requirements (FGVPISB Lepar Hilir POM).	Complied
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	The Sustainability Department based Head Office is responsible to track changes in the law and the information was disseminated to all of its plantations and mills. RLOR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The applicable legal requirements for the mill and estate were registered in "Daftar Perundangan dan Lain-lain Keperluan" (Register of Legal and Other Requirements) (FPI/L4/QOSHE-2.1 Pind 0) which was last updated on 1st September 2020. The register has info about: <ul style="list-style-type: none"> • Legal and Other Requirements • Enforcer Body / Authority 	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Main requirement • Enforcement standard • Penalty (RM) • Responsible Departments • Compliance status 	
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>Management assigned either Mill Engineers or Chief Clerks as person responsible to monitor compliance and tracking/updating changes in legal requirements. Refer to "Panduan: Sistem Pengesanan Perubahan Undang-undang" dated 23/6.2017, Version: 04. This correspondence was sighted via an email issued from Head Office for the operating units to update and comply where applicable. The Mill Manager is entirely responsible to monitor compliance in the mill.</p>	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>The land titles were belonged to FELDA and leased to Felda Palm Industries Sdn Bhd. There was no evidence that the oil palm milling activities are diminishing the land use rights of other users.</p>	Complied
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.</p> <p>- Major compliance -</p>	<p>There is a leased agreement signed between FELDA and Felda Palm Industries Sdn Bhd where total 28.47 ha was leased to FPISB Lepar Hilir for palm oil milling activities at Title No.: 17996, Lot PT 1310. The agreement was valid until 31/12/2023.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	The mill has demarcated the boundaries using the pole and seen the boundary map, photo evident of the poles and the monitoring record of the boundary on yearly basis.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance –	There was no land dispute reported during the time of audit. Identification and Negotiation of Land Dispute Procedure with Doc. No.: FGV/ML-1A/L2-Pr10 dated 01/06/2016 was developed.	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The land is legally owned by FELDA and leased to FGVPI Sdn Bhd. The existing land is not encumbered by any customary land rights.	Not Applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	The land is legally owned by FELDA and leased to FGVPI Sdn Bhd. The existing land is not encumbered by any customary land rights.	Not Applicable
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	The land is legally owned by FELDA and leased to FGVPI Sdn Bhd. The existing land is not encumbered by any customary land rights.	Not Applicable
4.4 Principle 4: Social responsibility, health, safety and employment condition			

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.</p> <p>- Minor compliance -</p>	<p>SIA was conducted on 03/01/2019 for FGV PISB Lepar Hilir POM by the Plantation Sustainability Department. The methodology of the assessment was through sampling of stakeholders to be interviewed. Stakeholders were consulted during the stakeholder meeting as well. Positive and negative impacts were identified and incorporated into the management plan. A new SIA was conducted on 15/11/2021 and pending for final report. Sampled one of the negative impacts as below:</p> <p>1. Issue: Door frame broken, ruptured floor and door at the kitchen broken.</p> <ul style="list-style-type: none"> • Action to be taken: The management has appointed contractor to carry out the repair works. • Status: Seen the photo evident of action taken and the List of Inspection for the action taken. 	Complied
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has established SOP for "<i>Menangani Aduan dan Rugutan</i>" with Doc. No.: FGV/ML-1A/L2-Pr13 dated 01/04/2019. The procedure is to provide a system for the internal and external stakeholders to lodge complaint and grievances to the management.</p> <p>The complaints will be solved in 14 days (first stage), 14 days (second stage). The complaint has to be resolved within 2 months from the date of discussion in third stage if the issue needs to be</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>escalated to <i>Wilayah Office</i>. Any issues that can be resolved within the operating unit, it has to be closed within 14 days.</p> <p>Besides, grievance reporting channels were published in the company's website, https://www.fgvholdings.com/whistleblowing/. The channels of reporting such as through letter, email, in person or Hotline Toll Free call. The whistleblowing e-form was available in https://www.fgvholdings.com/sustainability/grievance/# for the stakeholders to report a grievance.</p> <p>Briefing of the procedure was conducted on 15/03/2021 and seen the record of briefing.</p>	
4.4.2.2	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p>- Major compliance -</p>	<p>FGVPISB Lepar Hilir POM has implemented Housing Defect Complaint Book to record any defect complaints and Complaint Form for external stakeholders. Sampled the complaint as below:</p> <ol style="list-style-type: none"> 1. House No.: F3, F4, B1 and B2 dated 01/09/2021 <ul style="list-style-type: none"> • Issue: Various issues included broken glass windows. • Action Taken: The management has appointed the contractor to carry out the repair work and seen the <i>Surat Perintah Kerja</i># 3301509952 dated 04/09/2021. The glass windows were replaced on 14/09/2021 and the rest of the defects were completed on 10/11/2021. Seen the invoice# 1618 dated 10/11/2021. 	Complied
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.</p> <p>- Minor compliance -</p>	<p>There was a Complaint Box in front of the security post with Complaint Form available. The stakeholders and workers have access to the form to lodge complaint if any. A memo dated</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		05/01/2020 was issued to stakeholders on 12/01/2021 to explain the method on reporting complaint and grievances.	
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 -	Briefing of the procedure was conducted on 15/03/2021 to workers and seen the record of briefing. Interviewed with the stakeholders confirmed that they are understand on the process of complaint and grievances.	Complied
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	Records of complaint were available for the past 24 months.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance -	FGVPISB Lepar Hilir POM has made contribution by supplying packed foods to all the workers from 01 – 12/07/2021. Seen the payment voucher of foods ordered. Besides, the mill has provided job opportunity to the local communities where the workforce in the mill is 100% from local communities. In additional, the mill provided free school bus to the children of workers to send them to school.	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.	FGVPISB Lepar Hilir POM has adopted Group Occupational Safety & Health Management Policy had been established and implemented. Pernyataan Polisi Kesehatan dan Keselamatan	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>approved by Chief Executive Officer (Mohd Nazrul Izam Mansor) dated 05/11/2021</p> <p>The mill has established the safety and health plan and documented in Safety and Health Program for the Year 2019: Mill. The program divided into General, workplace inspection, training program, safety, health and environment, emergency response plan, vehicle safety, OSH reporting/evaluation and OSH training/seminars/course.</p>	
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ul style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling 	<p>Briefings to employees on safety policy are made through training and briefing forums. Safety procedures adherence are emphasised to the employees as part of the work culture. Content includes among others to prioritise safety, execute work safely, and adhere all safety rules and regulations and to target zero accident. Safety policy and targets were available on display board printed in both English & Bahasa Malaysia.</p> <ul style="list-style-type: none"> a) FGVPISB Lepar Hilir POM has established Dasar Keselamatan Dan Kesihatan Pekerjaan signed by CEO FGV Plantations (M) Sdn Bhd on 01/02/2017. The policy was communicated through toolbox meeting, morning muster briefing and displayed at several designated notice board in the mill. Noted during interview with the workers shows the understanding on the Safety and Health Policy among the workers. b) CHRA was conducted on 04/9/2017 by registered assessor Ihsan Sharif Resources. (JKKP HIE 127/1712 (85)-2017/0016). The CHRA report was available for verification. 	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator	Assessment Findings	Compliance
<p>and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept ant the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>HIRADC was available to cover all risk that had been identified in the mill. Among the HIRADC sighted was Security Post, Office, Continuous Sterilizer and water treatment. The HIRADC have been all reviewed on 25/05/2021.</p> <p>Borang Pengenalpastian Hazard Analisa Risiko Penentuan Kawalan (HIRADC) – FGV/PUC-OSH/F 1.2 Pind 0 reviewed on 01/10/2021 according to procedure Pengenalpastian Hazad, Penilaian Risiko dan Penentuan Kawalan (HIRARC) – FGV/ML-1A/L2-Pr2, Issue 1, Rev 0 dated 01/06/2016</p> <p>Audiometric Test conducted in June 2021 with new cases involved 5 workers detected with hearing impairment (Normal – 8, Abnormal audiogram – 68, Hearing Loss and Hearing Impairment Non ONRHD – 18, New case of HL with NIHL pattern – 9 and etc. Total Employee at risk - 76</p> <p>c) The awareness training program for employee exposed to chemicals has been included in the training program established.</p> <p>d) FGVPI SB Lepar Hilir POM has provided all PPE to all the workers base on job type and designation following the HIRARC and the Occupational Safety and Health Manual for Plantation Workers.</p> <p>e) FGVPI SB Lepar Hilir POM has established SOP for chemical handling and documented in and the Occupational Safety and Health Manual for Plantation Workers. Verified as per interview with workers on field.</p> <p>f) The management have appointed the Mill Manager Mr. Mohd. Hafizi Bin Ismail as the Chairman of the JKKP for FGVPI SB Lepar</p>	

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Hilir POM. Sighted the appointment letter dated 8th July 2019 undersigned by the Regional Controller.</p> <p>g) Regular meetings were conducted every 3 months to discuss Health and Safety Issues. Sighted JKKP Meeting Minutes dated 05/11/2020, 01/04/2021 (01/2021), 02/07/2021 (02/2021), 30/09/2021 (03/2021), 30/10/2021 (04/2021).</p> <p>h) FGV PISB Lepar Hilir POM has established Standard Operating Procedure for accident and emergency and documented in Emergency Response Plan (Pelan Tindakan Kecemasan); FPI-PK-035; rev 03; dated 29/6/2018.</p> <p>i) The First aid training was conducted accordingly in Mill. Dated 1 Nov 2019. Last check on First aid at site was 5/9/2020. All first aider was attended the training and understand as per interview verification.</p> <p>j) There were 1 accident case and 6 hearing impairments reported for the year 2019 in the mill. The JKKP 8 form was sighted to have been submitted to JKKP accordingly.</p> <p>JKKP8 for 2020 was submitted to DOSH on 27/01/2021 with total manhours worked recorded in 184704 with average of 74 personnel (Ref No: JKKP 8/53294/2020).</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company respect human rights by upholding international human rights principles and standards as encapsulated in the</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Universal Declaration of Human Rights (UDHR), and other applicable international human rights treaties, subject to the laws and regulations of the countries and territories in which FGV Group operates. In fulfilling its responsibility to respect human rights, FGV Group is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs). Briefing to the workers was conducted on 15/03/2021 and record of briefing was sighted.	
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company 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 to the workers was conducted on 15/03/2021 and record of briefing was sighted.	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 -	Total 12 workers' pay slips and employment contracts were sampled and found that the workers were paid accordingly and achieved the Minimum Wage Order 2020.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>The contractor’s workers have signed on the employment contract prior to work. Terms and conditions were clearly stated in the employment contract.</p> <p>However, reviewed the records of 2 pay slips (I/C No.: 960214-06-XXXX and I/C No.: 870805-06-XXXX) for February 2021 and August 2021 found the following issues:</p> <ol style="list-style-type: none"> 1. EPF contribution was not made according to the Employees Provident Fund Act 1991. 2. Number of working days, public holiday and work on rest day was not indicated in the payslips. 3. No evidence of entitlement of annual leave wages was paid to the workers. 4. One of the workers (I/C No.: 960214-06-XXXX) found that the wages for February 2021 was not according to the Sorter FFB Calculation Summary from mill. He has worked 19 days on February 2021 and the salary should be RM 803.89. However, the contractor only paid RM 743.02 as shown in the payslip. <p>Thus, Minor non-conformity was raised.</p>	Minor Non-Conformity
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>flexHRESS (HRMS) was implemented where the full name, gender, date of birth, date of entry, years of service, position and wages were recorded in the system.</p> <p>Reviewed the personal information of contractor’s workers found the information such as full name, job description, identification card number, address, phone number, gender, date of entry and wage included in the list.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	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 shall be made available for each and every employee indicated in the employment records. - Major compliance -	All the workers employed in the mill are local and they have received the offer letter. All the terms and conditions are referring to the Collective Agreement signed between FGV Palm Industries Sdn Bhd and <i>Kesatuan Pekerja-pekerja FGV Palm Industries Sdn Bhd Semenanjung</i> which valid from 01/01/2019 to 31/12/2021.	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 -	FGVPISB Lepar Hilir POM has implemented "Punch Card" system to record the working hours and overtime for all the workers included the contractor's workers (sorters). The data was manually transferred from punch card into <i>Borang Tuntutan Bayaran Kerja and Kerja Lebih Masa, Bekerja Pada Hari Biasa, Cuti Rehat dan Hari Cuti Kelepasan Am.</i>	Complied
4.4.5.8	The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. - Major compliance -	FGVPISB Lepar Hilir POM has implemented "Punch Card" system to record the working hours and overtime for all the workers included the contractor's workers (sorters). The overtime was paid accordingly as verified through the payslips. No overtime has exceeded the allowable limit of 104 hours.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Wages and overtime payment were clearly indicated in the payslip and all the payment was according to the legal requirements and Collective Agreement.	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 management has given bonus and yearly increment based on performance to the workers. Letter of bonus payment and increment of salary was sighted and shown in the pay slips. Medical support for RM 5000/ year for outpatient to the workers was provided.	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
4.4.5.11	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.</p> <p style="text-align: center;">- Major compliance -</p>	<p>All workers are provided with housing facilities that furnish with sanitation facilities, water supplies and electricity. Water and electricity are connected to the national supply and grid. Water usage is subsidized by the company.</p> <p>Linesite inspection was carried out on weekly basis by using <i>Rekod Pemantauan Perumahan Petugas/ Pekerja</i>. The last inspection was carried out on 08/12/2021 for all the houses, Baiduri, Kelas H and Kelas F. Agenda to be checked are such as building, electric and wiring, water and the cleanliness of the compound. Reviewed the inspection records found no issue recorded.</p> <p>The linesite inspection could be further improved to ensure issues such as sign of burning of wastes, lubricant refilled in the mineral water bottle without labelling, missing window glasses and rubbish scattered around are captured.</p>	Complied
4.4.5.12	<p>The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.</p> <p style="text-align: center;">- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company shall not tolerate any form of harassment and abuse including physical, sexual, psychological or verbal. Everyone shall be treated with respect and dignity.</p> <p>Briefing to the workers was conducted on 15/03/2021 and record of briefing was sighted.</p> <p>Gender Committee (KKD) was established in FGV PISB Lepar Hilir POM and the last meeting was conducted on 30/09/2021. Briefing of the company's policies was conducted during the meeting. Seen the meeting minutes and no issue was reported. Interviewed with</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		the female worker confirmed that no sexual harassment and violence reported.	
4.4.5.13	<p>The management shall respect the right of all employees to form and join trade union and allow workers’ own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where FGV recognises and respects employees’ right to freedom of association and to collective bargaining.</p> <p>Briefing to the workers was conducted on 15/03/2021 and record of briefing was sighted.</p> <p>FGV Palm Industries Sdn Bhd has a collective agreement with the <i>Kesatuan Pekerja-pekerja FGV Palm Industries Sdn Bhd Semeranjung</i> which valid from 01/01/2019 to 31/12/2021. Workers’ Association was established in the Lepar Hilir POM to discuss issues related to workers. The last meeting was conducted on 03/06/2021 and meeting minutes was sighted. There was no issue reported.</p>	Complied
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Group Sustainability Policy (Policy No.: FGV/SED/POL/001, Rev. 3.0 dated 17/11/2020) where the company 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.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance												
		Besides, the contractors/ third party service provider have signed on the Supplier Code of Conduct (SCOC) where prohibition of child labour who under the local legal minimum employment age. Document reviewed on the master list of employees and the contractor’s workers found that no child labour sighted.													
Criterion 4.4.6: Training and competency															
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	A training programme has been developed and available in the Training Requirement for Operating Units (Mills & Estate). The trainings were sighted to have included Gender Specific Training and involves staffs and workers. COVID-19 training and briefings were sighted at the mill and estates. Interviewed with the workers and staff indicated that they were aware on the SOP during the MCO such as social distancing, regular sanitization and use of PPE (Face Mask).	Complied												
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	Records of trainings were maintained by the Mill and all estates as below: - <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>HCP, Use of Fire, Board Safety, Work Permit, LOTO</td> <td>16/12/2021</td> </tr> <tr> <td>Latihan Petugas Picker</td> <td>10/11/2021</td> </tr> <tr> <td>Sexual Harassment Complaint Procedure</td> <td>26/03/2021</td> </tr> <tr> <td>Policies Briefing</td> <td>04/02/2021</td> </tr> <tr> <td>Taklimat Perubatan PM Care & COVID-19</td> <td>15/07/2021</td> </tr> <tr> <td>Fire Drill</td> <td>11/05/2021</td> </tr> </table>	HCP, Use of Fire, Board Safety, Work Permit, LOTO	16/12/2021	Latihan Petugas Picker	10/11/2021	Sexual Harassment Complaint Procedure	26/03/2021	Policies Briefing	04/02/2021	Taklimat Perubatan PM Care & COVID-19	15/07/2021	Fire Drill	11/05/2021	Complied
HCP, Use of Fire, Board Safety, Work Permit, LOTO	16/12/2021														
Latihan Petugas Picker	10/11/2021														
Sexual Harassment Complaint Procedure	26/03/2021														
Policies Briefing	04/02/2021														
Taklimat Perubatan PM Care & COVID-19	15/07/2021														
Fire Drill	11/05/2021														
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	Training program was planned and prepared annually. The understanding of MSPO certification requirements among	Complied												

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	and responsibility in accordance to the documented training procedure. - Minor compliance -	employees including contractors and suppliers was effectively implemented.	
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented. - Major compliance -	There is a Group Sustainability Policy (Environmental Stewardship) for the mill issued and endorsed in 29/05/2019 by the Chairman, FGV Holdings Berhad. Above this policy is another policy relating to environmental engaged by FGV Holdings Berhad.	Complied
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations - Major compliance -	The mill has conducted the aspects and impacts analysis of all operations and documented in the Environmental Aspect Impact Assessment Guidance for FGV PISB Lepar Hilir Palm Oil Mill. The mill has established environmental management plan base on the aspect and impact analysis conducted. The management plan was reviewed on annually basis.	Complied
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 -	FGVPISB Lepar Hilir POM has established the environmental plan based on the aspects and impacts analysis conducted and documented in the Environmental Aspect Impact Assessment for Estate. The management plan was established for the activity which give significant impact for the environment. The management plan was reviewed annually basis	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan.	FGVPISB Lepar Hilir POM has established environmental management plan base on the aspect and impact analysis	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>conducted include the program to promote the positive impacts as follows:</p> <ul style="list-style-type: none"> i. Mulching EFB within estate ii. Disposal of boiler ash and decanter solid within estate iii. Parameter of final discharge POME within limit iv. Provide transparent information about quality of environment to stakeholder v. Shell and fibre wastes are used as fuel for steam production 	
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives.</p> <p>- Major compliance -</p>	<p>FGVPISB Lepar Hilir POM has established the training program documented in the Safety and Health Program FY 2021 and Environmental Planner FY 2021. The training plan was reviewed on annually basis.</p>	Complied
4.5.1.6	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>The management has organized regular Safety and Health Committee meeting with representative from employees and employer which has also discussed on the environmental quality issues.</p>	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p>	<p>FGVPISB Lepar Hilir POM has monitored the consumption of the non-renewable energy on monthly basis. The monitoring was done base on the type of the energy usage. The mills have established plan to assess the usage of non-renewable energy and documented in the Energy optimization Plan. The plan stated the issue, action</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	plan, person responsible, timeline and status of the implementation. Sighted the sample monitoring records for diesel usage and turbine FY 2021 as follows: FGVPISB Lepar Hilir POM Diesel usage 2021 – 127,862 liter BTS Processed 2021 – 183.740MT Electricity Usage 2021 – 1180066kWh	
4.5.2.2	Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. - Major compliance -	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective mill yearly budgets.	Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Based on the observation during site visit and interview with the management, the mill used the shell and fibre as boiler fuel.	Complied
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	FGVPISB Lepar Hilir POM has identified all waste and source of pollution and documented in the List of Waste Identified. The list was reviewed on annually basis. The waste identified as follows: i. Industrial waste – Scrap Iron ii. Scheduled Waste – SW110, SW 305, SW409, SW410 iii. Domestic Waste – Wet waste, kitchen waste, garden waste, sanitary waste, dry waste iv. Solid waste – EFB, Shell, Boiler Ash, Decanter Solid	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>FGVPISB Lepar Hilir POM has established and documented Landfill and Domestic waste management for Estate and Mill. Management plan was done base on the type of waste identified in the List of Waste Identified. The plan was reviewed on annually basis. The plan stated the Issue identified, management action, period of monitoring and person responsible.</p>	Complied
4.5.3.3	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>FGVPISB Lepar Hilir POM has monitored the generation of scheduled waste on monthly basis. The generation of scheduled waste recorded and submitted to DOE through E-SWISS. Sighted and verified the monitoring records for the month of December 2019. Sighted the sampled scheduled waste disposal records:</p> <p>i. C/N No: 20210804175RZK4C dated 04/08/2021, SW305, Quantity: 0.3MT ii. C/N No: 20210804170T72RA dated 04/08/2021, SW306, Quantity: 0.23MT iii. C/N No: 2021082814BUFDE3, dated 28/08/2021, Code: SW410, Quantity: 0.175MT</p> <p>Fifth Schedule was updated on monthly basis (e.g. File Ref No: ASC31/152/000/052, Month: November 2021, SW302 – Nil, SW305 – 0.015MT, SW306 – Nil, SW409 – Nil, SW410 – 0.0100MT)</p>	Complied
4.5.3.4	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p>- Minor compliance -</p>	<p>The domestic waste was collected by the estate twice a week and dump at designated area before collected by the municipal collectors. Sighted the records of rubbish collection in Estate Vehicle Work Distribution.</p>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.4: Reduction of pollution and emission including greenhouse gas			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	The polluting activities was identified and documented in the Environmental Aspect & Impact. From the EAI, the activities will be evaluated for the environmental impact and any significant impact will be included in the management plan. The evaluation was documented in the Environmental Impact Evaluation.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	All efforts and action plan for the identified pollutants and emission produce by mill at current is adequate to comply with the requirement. All identified issues have significant impacts to the environment Stack Air Emission Monitoring Report for 1 st half year 2021 (Ref No: STK/LEPAR/21/001) conducted by Triple A EHS Solution dated 30/08/2021.	Complied
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations. - Major compliance -	Online environmental report (OER) was submitted periodically to DOE. The POME that release to the land application was according to DOE recommendation.	Complied
Criterion 4.5.5: Natural water resources			
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:	The Water Management Plan for the mill has been established and reviewed annually. The mill capitalized the source of water from Sungai Lepar which is the nearest river to the complex. The	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
<p>a) Assessment of water usage and sources. b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities. c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>domestic water for the residents was supplied from the State Government JBAP.</p> <p>a) The consumption of water/outgoing treated water for 2021 was recorded on weekly basis as per "Data Pemantauan Pelepasan di Takat Akhir.</p> <p>b) The mill monitors the water quality at the nearby Sg Lepar taken at 2 sampling points upstream and downstream on a monthly basis by FGV Palm Industries Sdn Bhd as below: Data Pemantauan Pelepasan Di Takat Akhir (Land Irrigation) "Mingguan" Tahun 2021 as per 15/12/2021 pH: 8.91, BOD: 61, COD: 381, Total Solid: 2063, Suspended Solid: Oil & Grease:7, Ammonical Nitrogen: 19, Nitrogen: 32, Total Water Discharged: 98677.96 Certificate of Analysis (COA) Lab Sample No: 2021/284, Test Report No: TR/2021/406 from Centre for Research in Advanced Tropical Bioscience (Biotropic Centre) Analysis Cert No: 4578/2021, Ref No: 32/2021, Lab Ref No: 10041/2021, pH: 8.32, BOD: 86, COD: 603, Total Solid: 4340, Suspended Solids: 288, Oil & Grease: 9, Ammoniacal Nitrogen: 115, Total Nitrogen: 134 by FGVPI (Makmal Analisa Bukit Goh) SMM No: 247</p>	<p></p>	
<p>4.5.5.2</p>	<p>Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p>	<p>No discharge of POME to water course (Sg Lepar). The POME used land application with BOD 58 mg inline with DOE requirement.</p>	<p>Complied</p>

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
- Major compliance -			
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	The mill processing system is documented in the following document a) Manual Operasi Kilang Sawit revised dated 23/10/17 b) Prosedur Kerja Selamat c) Manual Alam Sekitar EMS These documents provide guidelines and standards in the mill operations. The Standard Operating procedure (SOP) described details from the reception, sterilisation, threshing, pressing, clarification, depericarping (nut polishing) station, effluent, laboratory, workshop, despatches etc. a) In addition, there are also manuals available within the industry and MPOB that are used as guidelines	Complied
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The monitoring of the mill process is made through the shift supervision headed by an Assistant Engineer and the Mill Assistant. All process parameters are documented and summarized in a daily report. The external monitoring is made through visits by the CEO/General Manager and also technical personnel from the Head Office. DOSH annual machinery inspection. In addition, there are audits by Sustainable team and PA. This is to ensure compliance to Policies,	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
		procedures in relation mill operations, financial, OSH, welfare among others.	
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	FGVPISB Lepar Hilir POM has established 10 years business plan as guidance for the mill to conduct the daily operation and expenditure. The business plan was documented in 10 years production, expenditure and profit/loss projection 2019 – 2028. No changes during this audit. Items stated in the business plan as follows: i. Hectare statement ii. FFB yield/ha and Total Production by age iii. FFB Production and FFB purchase (FFB, CPO, PK, OER, KER) iv. Production cost v. Cost/ha and Cost/tons vi. Dispatch (CPO and PK) The capital expenditure was documented in Financial Year Proposed Capital Expenditure (CAPEX).	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	The payment term is 30 days from the date of invoice submitted as per the <i>Surat Perintah Kerja (SPK)</i> for contractors. Besides, pricing mechanism was elaborated in the <i>Makluman Tawaran Harga Belian BTS FGV Trading Sdn Bhd.</i>	Complied

MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Sampled of the payment records of FFB suppliers/ contractor as below: 1. FFB Payment Verification# 9539 dated 11/04/2021; Payment made on 14/04/2021, Ref. No.: MYIT210414385988 2. FFB Payment Verification# 9577 dated 14/06/2021; Payment made on 16/06/2021, Ref. No.: MYIT210616377866 Interviewed with the contractor confirmed that payment was made promptly as per the agreed term.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractors engaged by the mill has been signed on the addendum for MSPO requirements and they have been briefed on the MSPO requirements. Interviewed with the contractor also found that he understood the requirements of MSPO. Besides, the contractors have signed on Supplier Code of Conduct (SCOS) where stated all the requirements to be complied by the contractors.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	The contractors have signed an agreement/ <i>Surat Perintah Kerja</i> prior to work. Sampled the SPK as below: 1. SPK# 3301485329 dated 02/03/2021 for sorting FFB and picking USB which valid until December 20201. 2. SPK# 3301467607 dated 04/12/2020 for grass cutting in the compound of mill and effluent which valid until December 20201.	Complied

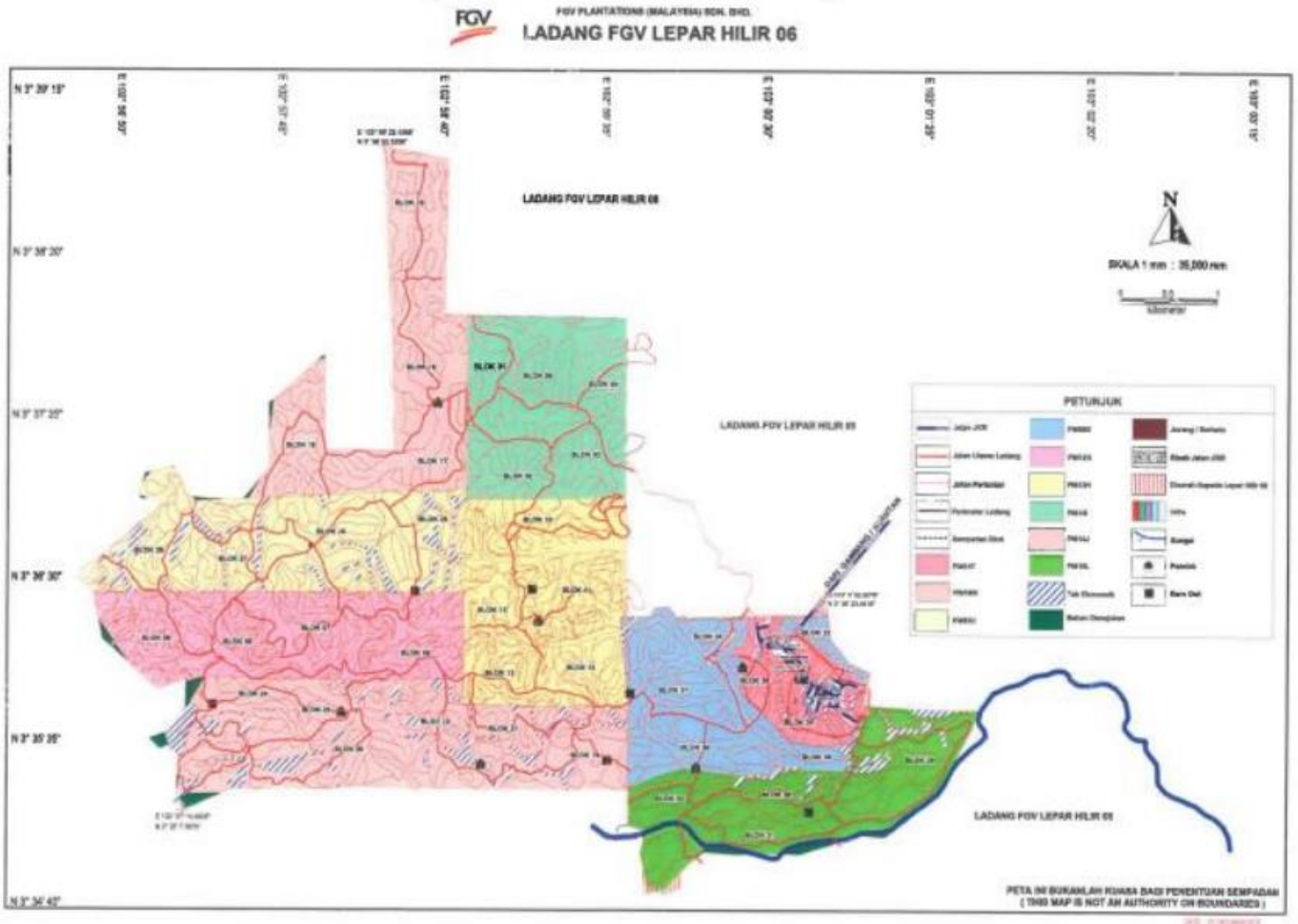
MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	As per the addendum signed in indicator 4.6.4.1, the contractors agreed to accept auditors to verify the assessment if necessary.	Complied

Appendix C: Location and Field Map

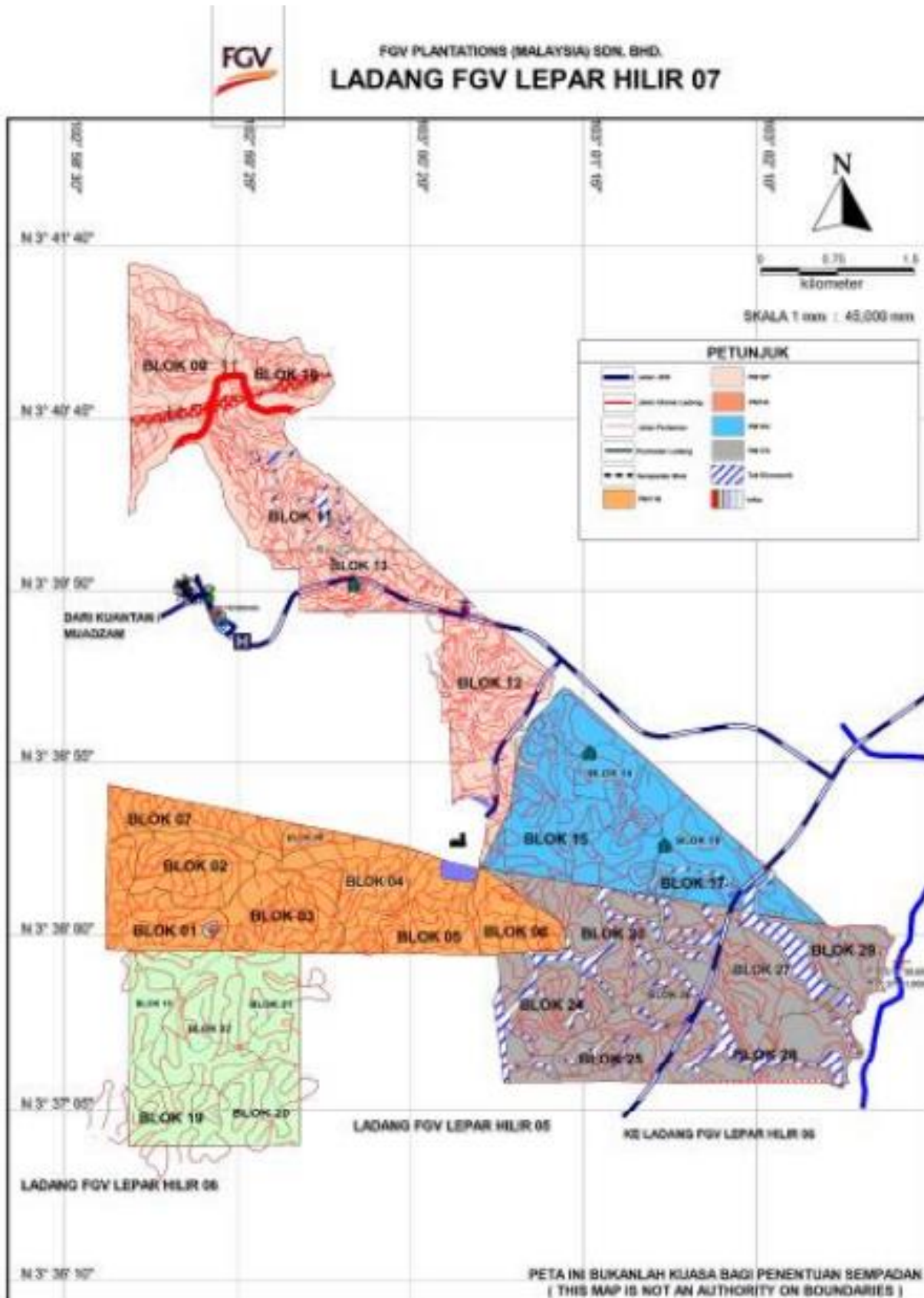


**MSP0 MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)**



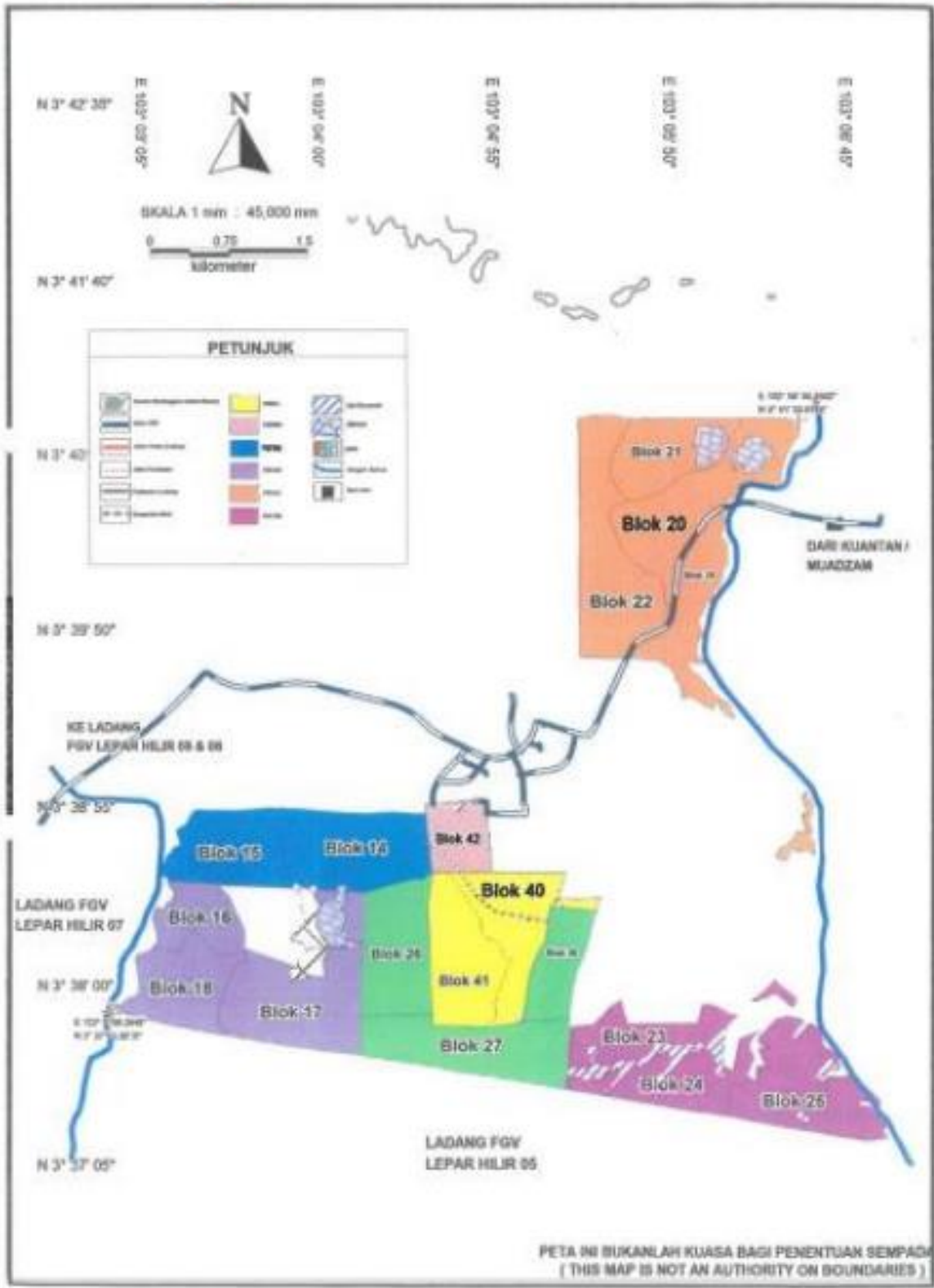


**MSPO MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)**



**MSP0 MS:2530-Part 3 Checklist
Revision 0 (Oct/2017)**

FGV FGV PLANTATIONS (MALAYSIA) SDN. BHD.
LADANG FGV LEPAR HILIR 08



Appendix D: List of Abbreviations

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