

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

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

FGV HOLDINGS BERHAD
Client Company (HQ) Address: Level 20, West Wisma FGV, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia
Certification Unit: FGVPISB Kerteh Palm Oil Mill and supply bases (FGVAS Kerteh Estate, and FGVP M Semaring 01 Estate)
Date of Final Report: 06/07/2023

Report prepared by:
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Report Number: 3720238

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	FGV Holdings Berhad		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	FGVPISB Kerteh Palm Oil Mill	500178404000	31/03/2023
	FGVPM Semaring 01 Estate	560381002000	30/04/2023
	FGVAS Kerteh Estate	502671002000	31/03/2023
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	Mill: MSPO 693211 Estate: MSPO 693212	Certificate Start Date	29/04/2019
Date of First Certification	29/04/2019	Certificate Expiry Date	28/04/2024
Scope of Certification	<input checked="" type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	<p>The objective of the assessment was to conduct an Annual Surveillance Assessment 4 and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organisation's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organisation's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system.</p>		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
Stage 1 Date	12-14/09/2018		
Stage 2/Initial Assessment Visit Date (IAV)	08-10/01/2019		
Continuous Assessment Visit Date (CAV) 1	14-16/01/2020		
Continuous Assessment Visit Date (CAV) 2	04-06/01/2021		
Continuous Assessment Visit Date (CAV) 3	05-07/01/2022		
Continuous Assessment Visit Date (CAV) 4	09-12/01/2023		

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1.3 Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 693209	RSPO Principles & Criteria of Sustainable Palm Oil production: 2018; Malaysian National Interpretation: 2019	BSI Services Malaysia Sdn Bhd	10/02/2024

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 Kerteh Palm Oil Mill	Kilang Kelapa Sawit Kerteh, Beg Berkunci No. 3, 23309 Ketengah Jaya, Terengganu, Malaysia	4° 37' 33.00" N	103° 19' 55.00" E
FGVPM Semaring 01 Estate	Ladang Felda Semaring 01, P.O. Box No. 7, Pejabat Pos A.M.B.S, 23400 Dungun, Terengganu, Malaysia	4° 40' 20.00" N	103° 02' 25.00" E
FGVAS Kerteh Estate	Ladang FASSB Kerteh, Jalan Kelubi, Ketengah Jaya, 23300 Dungun, Terengganu, Malaysia	4° 34' 29.00" N	103° 19' 13.00" E

1.5 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
FGVPM Semaring 01 Estate	981.05	-	265.42	1,246.47	78.70
FGVAS Kerteh Estate	106.42	-	4.14	110.56	96.26
Total (ha)	1,087.47	-	269.56	1,357.03	80.14

1.6 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
FGVPM Semaring 01 Estate	0	0	981.05	0	0	981.05	-
FGVAS Kerteh Estate	0	0	106.42	0	0	106.42	-
Total (ha)	-	-	1,087.47	-	-	1,087.47	-

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1.7 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (May 22 - Apr 23)	Actual (Jan 22 - Dec 23)	Forecast (May 23 - Apr 24)
FGVPM Semaring 01 Estate	16,000.00	2,380.86	3,500.00
FGVAS Kerteh Estate	3,000.00	1,849.42	2,700.00
Total (mt)	19,000.00	4,230.28	6,200.00

Note: Crop diversion from FGVPM Semaring 01 Estate to nearest FGV's mill due to cost effectiveness factor. Thus, the actual FFB production and FFB forecast are low compared to previous year.

1.8 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (May 22 - Apr 23)	Actual (Jan 22 - Dec 23)	Forecast (May 23 - Apr 24)
Third party suppliers	195,971.64	202,009.97	190,193.00
Total (mt)	195,971.64	202,009.97	190,193.00

1.9 Certified Tonnage			
Mill Capacity: 60 MT/hr SCC Model: MB	Estimated (May 22 - Apr 23)	Actual (Jan 22 - Dec 23)	Forecast (May 23 - Apr 24)
	FFB	FFB	FFB
	19,000.00	4,230.28	6,200.00
	CPO (OER: 20.70%)	CPO (OER: 20.05%)	CPO (OER: 20.00%)
	3,933.00	847.96	1,240.00
	PK (KER: 5.20%)	PK (KER: 5.13%)	PK (KER: 5.13%)
988.00	217.20	318.30	

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
847.96	-	-	-	847.96	847.96

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1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
217.20	-	-	138.66	78.54	217.20

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 reassessment was conducted from 09-12/01/2023. The audit programme is included as Section 2.4. The approach to the audit was to treat FGVPISB Kerteh Palm Oil Mill, FGVP M Semaring 01 Estate and FGVA S Kerteh Estate as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with 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 2530-2:2013, 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 was 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 were based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members ($1\sqrt{3} = 2$). 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 is detailed in Section 4.2.

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

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

Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA1)	Year 3 (ASA2)	Year 4 (ASA3)	Year 5 (ASA4)
FGVPISB Kerteh Palm Oil Mill	✓	✓	✓	✓	✓
FGVPM Semaring 01 Estate	✓	✓	✓	✓	✓
FGVAS Kerteh Estate	✓	✓	✓	✓	✓

Tentative Date of Next Visit: January 8, 2024 - January 11, 2024

Total No. of Mandays: 10

2.1 BSI Assessment Team

Team Member Name	Role	Qualifications
Valence Shem (VSH)	Team Leader	<p>Education: BTech (Hons) Bachelor’s Degree in Industrial Technology, University of Science Malaysia.</p> <p>Work Experience: 1) 9 years working experience in oil palm plantation industry. 2) Management system auditing since 2009 for various standards such as ISO 14001, RSPO P&C, RSPO SCCS, MSPO and SMETA.</p> <p>Training attended: 1) ISO 14001 Lead Auditor Course 2) ISO 9001 Lead Auditor Course 3) Endorsed RSPO P&C Lead Auditor Course 4) Endorsed RSPO SCCS Lead Assessor Course 5) MSPO Awareness Training 6) ISO 45001 Lead Auditor Course 7) SMETA Auditor training 8) HCV-HCS training 9) RSPO-endorsed RSPO ISH Standard 2019 Lead Auditors Course</p>

		<p>Aspect covered in this audit: Legal, social aspects, employees' welfare, and stakeholders' consultations & communications.</p> <p>Language proficiency: English and Bahasa Malaysia.</p>
Amir bin Bahari (ABB)	Team Member	<p>Education: B.Sc. (Hons) Chemistry USM and Diploma in Palm Oil Milling Tech/Management MPOB 1996.</p> <p>Work Experience: 30 years working experience in plantation industry among others managing rubber factories, palm oil mills and estates.</p> <p>Training attended:</p> <ol style="list-style-type: none"> 1) ISO 9001 Lead Auditor Course 2) ISO 14001 Lead Auditor Course 3) OHSAS 18001 Lead Auditor Course 4) Endorsed RSPO P&C Lead Auditor Course 5) MSPO Awareness Training 6) HCV-HCS training 7) RSPO-endorsed RSPO ISH Standard 2019 Lead Auditors Course <p>Aspect covered in this audit: Legal requirements, natural and HCV conservation, water & wastes management, environmental aspects, GAP, mill best practices, training, and economic management plan.</p> <p>Language proficiency: English and Bahasa Malaysia.</p>
Hanafi bin Shufaat @ Mohd (HBS)	Team Member	<p>Education:</p> <ol style="list-style-type: none"> 1) Diploma in Plantation Technology and Management, graduated from Universiti Teknologi Mara in 2001. 2) Executive Masters Plantation Technology and Management graduated from Asean E-University in 2012. <p>Work Experience: Has 17 years working experience at managerial level of oil palm in the plantation industry in Malaysia and abroad and working with giant plantation players. The last position was Senior Manager in Primula Gemilang Sdn Bhd, Sibul, Sarawak and responsible for 12,000 hectare of oil palm plantation with 100-hectare nursery. Also had accumulated more than 3 years of sustainability implementation experience. Also qualified Lead Auditor for MS 2530:2013 and has accumulated more than 250 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia.</p> <p>Training attended:</p> <ol style="list-style-type: none"> 1) ISO 9001:2015 Lead Auditor Course 2) ISO IMS 9001 and 14001 Lead Auditor Course

		<p>3) MSP0 2530:2013 Lead Auditor Course</p> <p>Aspect covered in this audit: Legal, mill and estates best practices, OHS, contracts etc. long-term economic viability.</p> <p>Language proficiency: English and Bahasa Malaysia.</p>
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2.2 Impartiality and conflict of interest

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

2.3 Accompanying Persons

No.	Name	Role
	N/A	

2.4 Assessment Plan

The assessment plan was sent to the client prior to the assessment.

Date	Time	Subjects	VSH	ABB	HBS
Monday 09/01/2023	0830-0930	<p>Opening meeting at FGVPISB Kerteh POM:</p> <ul style="list-style-type: none"> Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation) Auditors travel to Kerteh Estate 	✓	✓	✓
	0930-1300	<p>Kerteh Estate</p> <p>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, wastes management, workers housing, clinic, Landfill, etc. and stakeholder consultation</p>	✓	✓	✓
	1300-1400	Lunch break	✓	✓	✓
	1400-1630	<p>Kerteh Estate</p> <p>Document review P1 – P7 (MSP0 Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP, and implementation etc.</p>	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓

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Date	Time	Subjects	VSH	ABB	HBS
Tuesday 10/01/2023	0900-1300	<u>Semaring 01 Estate</u> 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, wastes management, workers housing, clinic, Landfill, etc. and stakeholder consultation	✓	✓	✓
	1300-1400	Lunch break	✓	✓	✓
	1400-1630	<u>Semaring 01 Estate</u> Document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP, and implementation etc.	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Wednesday 11/01/2023	0900-1300	<u>FGVPISB Kerteh POM</u> Site visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders, etc. and stakeholder consultation	✓	✓	✓
	1300-1400	Lunch break	✓	✓	✓
	1400-1630	<u>FGVPISB Kerteh POM</u> Document Review P1 – P6 (MSPO Part 4): SOPs, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, etc.	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Thursday 12/01/2023	0900-1100	<u>FGVPISB Kerteh POM</u> Continue with outstanding elements	✓	✓	-
	1100-1130	Interim closing briefing	✓	✓	-
	1130-1200	Audit team discussion & preparation for closing meeting	✓	✓	-
	1200-1300	Closing meeting	✓	✓	-

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 ASA 4 there were two (2) Major & zero (0) Minor nonconformities and zero (0) OFI raised. The certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

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

Non-Conformity Report			
NCR Ref #:	2294746-202301-M1	Issue Date:	12/01/2023
Due Date:	12/04/2023	Date of Closure:	11/04/2023
Area/Process:	Estates	Clause & Category: (Major / Minor)	MSPO 2530 Part-3 4.5.3.3 Major
Requirements:	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.		
Statement of Nonconformity:	Proper management on waste disposal according to procedures was not effectively demonstrated.		
Objective Evidence:	<u>FGVAS Kerteh Estate</u> 1) Empty chemical container was labelled with code SW410 instead of SW409 which is not in accordance with the procedures. 2) Monthly inventory has been maintained from January to December 2022. However, discrepancies were found between the physical quantity and the recorded data. At the store, based on verification of information stated on the waste container’s label, the SW409 was generated on 07/10/2022. However, according to the inventory records, there was no SW409 generated on this date. <u>FGVPM Semaring 01 Estate</u>		

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	<p>1) SW bin was labelled with a wrong code. As per evidence SW bin that contained with empty lubricant container, damaged spray equipment and rat bait plastics/container were placed with label SW410 instead of SW409.</p> <p>The above-mentioned lapses were not in accordance with the SOP for Handling Scheduled Waste (FGVPM/L2/PAS-04) Rev. 01, Effective Date 23/01/2020 as reference to handle, storage, labelling and disposal of Scheduled Waste and Regulation 10, of Environmental Quality (Scheduled Waste) Regulation 2005. (2) Containers of scheduled wastes shall be clearly labelled in accordance with the types applicable to them as specified in the Third Schedule and marked with the scheduled waste code as specified in the First Schedule for identification and warning purposes.</p>
<p>Corrections:</p>	<ol style="list-style-type: none"> 1) Appointment letter to the new person in charge. 2) Conduct training on SW management to the person in charge. 3) Evaluation to be done the training session to the person in charge 4) Correction on the labelling of SW 409, 410 based on Prosedur Alam Sekitar (FGVPM/L2/PAS-04). The refill the SW bin based on SW409 & SW410. 5) Updated inventory schedule waste for Jan 2023, Feb 2023 & March 2023. 6) Updated delivery of schedule waste for Jan 2023, Feb 2023 & March 2023.
<p>Root cause analysis:</p>	<p>There is not proper monitoring from the person in-charge in term Inventory, labelling and storage due no training been given to the new person in-charge.</p>
<p>Corrective Actions:</p>	<ol style="list-style-type: none"> 1) To include the additional person from estates management to attend the training on SW management as a backup person. 2) To include Schedule Waste Training in estate annual training programme.
<p>Assessment Conclusion:</p>	<p>The following evidence was submitted and verified:</p> <p><u>FGVAS Kerteh Estate</u></p> <ol style="list-style-type: none"> 1) Pictures that show the labelling of SW 409 and SW 410 containers has been corrected 2) SW inventory (5th Schedule) has been updated until Mar 2023, where SW 409 and SW 410 have been included 3) Letters from FGVAS Unit Leader dated 02/02/2023 that show two staff (Emp. ID: 2101785 and 5400014) have been appointed as the person in-charge in the management of SW. Among the duty spelt of the PIC spelt out in the letter are: <ul style="list-style-type: none"> - identification of SW generated from the plantation, hostel and staff quarters - to ensure the SW are properly collected, stored, and disposed according to the legal requirements - to update the inventory records of SW 4) Attendance record dated 02/02/2023 that shows the training on SW management has been given to the key persons. <p><u>FGVPM Semaring 01 Estate</u></p> <ol style="list-style-type: none"> 1) Pictures that show the labelling of SW 409 and SW 410 containers has been corrected 2) Attendance record dated 16/02/2023 that shows the training on SW management has been given to the key persons. The training was conducted for those PIC under FGVPM Terengganu Region

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	<p>3) A letter from the Estate Manager dated 01/02/2023 that shows a staff (Certification Assistant) has been appointed as the person in-charge in the management of SW. Among the duty spelt of the PIC spelt out in the letter are:</p> <ul style="list-style-type: none"> - Checking of SW generated - to update the inventory records of SW - to ensure the SW are properly collected, stored, and disposed according to the legal requirements <p>4) Attendance record dated 16/02/2023 that shows the training on SW management has been given to the key persons. The training was conducted for those PIC under FGVPM Terengganu Region</p> <p>The implementation of correction and corrective actions found to be adequate to close the NCR. Continuous of effective implementation shall be verified in the next assessment visit.</p>
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Non-Conformity Report			
NCR Ref #:	2294746-202301-M2	Issue Date:	12/01/2023
Due Date:	12/04/2023	Date of Closure:	11/04/2023
Area/Process:	Estates	Clause & Category: (Major / Minor)	MSPO 2530 Part-3 4.4.5.11 Major
Requirements:	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.		
Statement of Nonconformity:	Insufficient housing accommodation and equipment provided to new workers.		
Objective Evidence:	<p><u>FGVAS Kerteh Estate</u></p> <p>1) There are 4 houses at FGVAS Kerteh Estate. 3 of them were allocated for foreign workers. However, house no. 2 and no.3 with 2 rooms/house which were allocated for Indian workers found to be overpopulated. This is not in accordance with the Act 446 Employees` Minimum Standards of Housing, Accommodations and Amenities Act 1990 which stated that each employer is required to provide 3.6 m² of room for each worker. This has also been further verified with Jabatan Tenaga Kerja Negeri Terengganu through phone call which mentioned that sufficient accommodations need to be established by employer prior to arrival of workers.</p> <p>2) There are 13 new Indian workers recruited in September 2022. However, during the site visit, it was found that 6 workers have yet to be provided with wardrobes. This is not in-line with the foreign workers employment contract, Clause 10, which reads, every new employee is eligible to receive the following personal equipment provided for free by the employer:</p> <ul style="list-style-type: none"> i) Wardrobe, bed, mattress, bedsheet, pillow, and pillowcase ii) Cooker and gas cylinder iii) Cooking utensils iv) Essential dry foodstuffs 		

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	Besides that, the company's procedure entitled " <i>Kemudahan asas pekerja unit operasi</i> " doc. no. FGV/JTK/MAN/001-40, dated 24/03/2021, Clause 7.1.1 also mentioned that all workers housing needs to be provided with mattress, bed, pillow, blanket, wardrobe.
Corrections:	<p>Issue (1)</p> <ol style="list-style-type: none"> 1) To conduct briefing to new workers regarding to the problem of house electricity. 2) To repair the electricity problem at the house. 3) New workers be transferred to the house and estimated by the end of January 2023. <p>Issue (2)</p> <ol style="list-style-type: none"> 1) To conduct briefing the 6 new workers on the status of their cupboard. 2) To make transfer asset from FGVAS PPTR to FGVAS Kerteh on cupboard. 3) To hand over the cupboard for the 6 workers by end of January 2023.
Root cause analysis:	<p>Issue (1)</p> <p>The allocated house at the estate is in good condition before the new workers arrived. There is some unexpected electricity problem occur at the house during the worker's arrival. Therefore, the workers were transferred to other houses as temporary while the electricity being fixed without consulting the issue with the new workers.</p> <p>Issue (2)</p> <p>There is lack of cupboard for 6 new workers as this have been communicated to the FGVAS JTK in Oct 2022. FGVAS JTK have already requesting on the purchase of the cupboard and waiting of approval from Jabatan Kewangan FGVAS. It is because based on the procurement process, the purchase of the cupboard was centralised by the Jabatan Kewangan FGVAS and can only done by Jabatan Kewangan FGVAS with appointed vendor only.</p>
Corrective Actions:	<p>Issue (1)</p> <ol style="list-style-type: none"> 1) Briefing record to the new workers on their accommodation & facilities. 2) Management meeting every 3 months and the agenda of meeting will include the discussion on the basic amenities of workers. 3) To introduce the new mechanism of grievances & conducted training (GMU Training on 13/02/2023). <p>Issue (2)</p> <ol style="list-style-type: none"> 1) To include the checking of basic amenities inside the monthly lineside inspection. 2) To include the agenda of basic amenities discussion during the annual mesyuarat kebajikan done between estate management and the workers representative
Assessment Conclusion:	<p>The following evidence was submitted and verified:</p> <ol style="list-style-type: none"> 1) Record entitled "<i>Rekod Masuk Kediaman (Pekerja TKA)</i>" that shows all the affected workers have been allocated to the new accommodation on

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	<p>02/03/2023. The signatures of the workers were also available to show that they have confirmed the new allocation.</p> <p>2) Record entitled "<i>Penyerahan Almari Pakaian Kepada Pekerja TKA Baru</i>" that shows the wardrobes have been given to the affected workers on 31/01/2023. The signatures of the workers were also available to show that they have confirmed the receipt of the new wardrobes.</p> <p>3) A checklist entitled "<i>Borang Semakan Asrama Pekerja</i>" dated 14/02/2023 that shows the inspection criteria to comply with the legal requirements has been included.</p> <p>4) A report entitled "<i>Laporan Audit Pemantauan Perumahan Pekerja Asing</i>" dated 14/02/2023 that shows the status of legal compliance of the workers accommodation is regularly monitored.</p> <p>5) Minutes of meeting of the EHS committee dated 30/03/2023 that shows the subject related to workers quarters issue was one of the meeting agenda discussed. The committee is also consisting of representatives from the workers.</p> <p>The evidence of correction and corrective actions found to be adequate to close the NCR. Continuous effective implementation shall be verified in the next assessment visit.</p>
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Opportunity For Improvement			
Ref:	N/A	Clause:	N/A
Area/Process:	N/A		
Objective Evidence:	N/A		

Noteworthy Positive Comments	
1	Good cooperation by management team/staff/sustainability team
2	Good documentation upkeep and retrieval
3	Good housekeeping at working places e.g., workshop, storage, mill operation areas, etc.

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	2150331-202201-N1	Issue Date:	07/01/2022
Due Date:	12/01/2023	Date of Closure:	Escalated to Major
Area/Process:	FGVAS Kerteh Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.5.3.3 Minor
Requirements:	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.		

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Statement of Nonconformity:	The procedure of schedule waste management was not effectively implemented.																																																																											
Objective Evidence:	During document verification for FGVAS Kerteh Estate it was found that no inventory of schedule waste has been maintained. It was against SOP "Pengurusan Bahan Buangan Terjadual Setiap Ladang" dated 23/01/2020 Ref. FGVP/ML/PAS-04 section 6.5.1 "Kerani Bekalan mestilah mengemaskini rekod inventori bagi bahan buangan terjadual setiap bulan".																																																																											
Corrections:	Existing staff given training or more detailed information on scheduled waste management.																																																																											
Root cause analysis:	Existing office workers lack the understanding to manage scheduled waste inventory records in detail.																																																																											
Corrective Actions:	1. Training or briefing to staff on scheduled waste inventory records 2. Updating bin card																																																																											
Assessment Conclusion:	The correction and corrective action were accepted. The evidence of effective implementation of the corrective action shall be verified in the next assessment visit.																																																																											
Verification Statement	<p>The following was verified and concluded.</p> <p>Training has been made to the employees including the PIC on 24/08/2022 and 07/01/2022 for Semaring 01 and Kerteh Estate respectively titled <i>Latihan / Penerangan Bahan Terjadual</i>. Therein emphasizing on the following:</p> <ol style="list-style-type: none"> Type of scheduled waste produced Storage and disposal SOP Signage / spillage prevention and rectification Inventory updating / requirement bin card system <p>Scheduled Waste dispatches for both the estates were made as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Estate</th> <th>Date</th> <th>SW 305</th> <th>SW410</th> <th>SW409</th> <th>SW109</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>26/10/22</td> <td>-</td> <td>-</td> <td>0.13344</td> <td>-</td> </tr> <tr> <td>2</td> <td>Semaring 01</td> <td>15/09/22</td> <td>-</td> <td>-</td> <td>0.03514</td> <td>-</td> </tr> <tr> <td>3</td> <td>Semaring 01</td> <td>07/05/22</td> <td>-</td> <td>0.0257</td> <td>-</td> <td>-</td> </tr> <tr> <td>4</td> <td>Semaring 01</td> <td>14/06/22</td> <td>0.0280</td> <td>0.0040</td> <td>-</td> <td>-</td> </tr> <tr> <td>5</td> <td>Semaring 01</td> <td>14/10/21</td> <td>-</td> <td>-</td> <td>0.0190</td> <td>-</td> </tr> <tr> <td>6</td> <td>Kerteh Estate</td> <td>01/07/22</td> <td>-</td> <td>0.0110</td> <td>0.0370</td> <td>-</td> </tr> <tr> <td>7</td> <td>Kerteh Estate</td> <td>25/04/22</td> <td>0.0140</td> <td>0.0030</td> <td>-</td> <td>-</td> </tr> <tr> <td>8</td> <td>Kerteh Estate</td> <td>08/02/22</td> <td>-</td> <td>-</td> <td>-</td> <td>0.0008</td> </tr> </tbody> </table> <p>Dispatch from FGVP Semaring 01 Estate on 14/06/2022 for SW 305 and SW 410 was to Sime Kubota Sdn Bhd (Letter dated 13/04/2022 approval form DOE was sighted and verified). Other types were collected for collective delivery via FGV Chadon within the same region. Kerteh Estate delivered SW to PPTR Jerantut for onward despatch to Kualiti Alam Sdn Bhd.</p> <p>The estates-maintained SW inventory on monthly basis. Data as shown below. All figures in mt otherwise stated.</p> <table border="1"> <thead> <tr> <th colspan="6">FGVPM Semaring 01 Estate</th> </tr> <tr> <th>Date</th> <th>Type</th> <th>B/f</th> <th>Prod</th> <th>Despatch</th> <th>Balance</th> </tr> </thead> <tbody> </tbody> </table>		Estate	Date	SW 305	SW410	SW409	SW109	1	Semaring 01	26/10/22	-	-	0.13344	-	2	Semaring 01	15/09/22	-	-	0.03514	-	3	Semaring 01	07/05/22	-	0.0257	-	-	4	Semaring 01	14/06/22	0.0280	0.0040	-	-	5	Semaring 01	14/10/21	-	-	0.0190	-	6	Kerteh Estate	01/07/22	-	0.0110	0.0370	-	7	Kerteh Estate	25/04/22	0.0140	0.0030	-	-	8	Kerteh Estate	08/02/22	-	-	-	0.0008	FGVPM Semaring 01 Estate						Date	Type	B/f	Prod	Despatch	Balance
	Estate	Date	SW 305	SW410	SW409	SW109																																																																						
1	Semaring 01	26/10/22	-	-	0.13344	-																																																																						
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Date	Type	B/f	Prod	Despatch	Balance																																																																							

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01/01/22	SW409	0.00128	0	0	0.00128
28/02/22	-	0.00128	0	0	0.00128
29/03/22	SW409	0.00128	0.0056	0	0.00688
30/04/22	-	0.00688	-	-	0.00688
07/05/22	SW410		0.0257	0	
30/05/22	SW409	0.00688	0.00256	0	0.00944
30/06/22	SW409	0.00944	0.0248	0	0.03424
31/07/22	SW409	0.03424	0.0248	0	0.05904
30/08/22	SW409	0.05904	0.0248	0	0.08384
30/09/22	SW409	0.08384	0.0248	0.03514	0.10864
30/10/22	SW409	0.10864	0.0248	0.13344	0
30/11/22	SW409	0	0	0	0
31/12/22	SW409	0	0.02502	0	0.02502

FGVAS Kerteh Estate					
Date	Type	B/f	Prod	Despatch	Balance
01/01/22	SW410	0	0	0	0
28/02/22	SW410	0	0	0	0
29/03/22	SW410	0	0	0	0
30/04/22	SW410	0	0	0	0
07/05/22	SW410	0	0.0257	0.0257	0
30/05/22	SW410	0	0	0	0
30/06/22	SW410	0	0	0	0
31/07/22	SW410	0	0	0	0
30/08/22	SW410	0	0	0	0
30/09/22	SW410	0	0	0	0
30/10/22	SW410	0	0	0	0
30/11/22	SW410	0	0	0	0
31/12/22	SW410	0	0	0	0

However, there were non-compliance on the following with evidence:

FGVAS Kerteh Estate

- 1) Labelling for empty chemical container was with code SW410 instead of SW409 which is not accordance to the procedures.
- 2) Monthly inventory has been maintained from January to December 2022. However, it was found discrepancies of physical against data. Sample shows availability of SW409 generated on 07/10/2022 in the SW store however, no data was recorded as per inventory dated October 2022 until December 2022.

FGVPM Semaring 01 Estate

- 1) SW bin was labelled with a wrong code. As per evidence SW bin that contained with empty lubricant container, damaged spray equipment and rat bait plastics/container were placed with label SW410 instead of SW409.

As such the NCR raised on the inventory remained open and unclosed at the time of audit closure and escalated to Major NC.

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Non-Conformity Report			
NCR Ref #:	2150331-202201-N2	Issue Date:	07/01/2022
Due Date:	12/01/2023	Date of Closure:	12/01/2023
Area/Process:	FGVAS Kerteh Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.4 Minor
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 contractor has yet to comply with the legal requirements.		
Objective Evidence:	There was no evidence that the contractor worker has been paid according to Minimum Wages Order 2020 including contribution to Employees Provident Fund (EPF) and SOCSO has been made for worker (I/C No.: 930725-11-XXXX).		
Corrections:	1) Awareness given to the FGVAS worker 2) Appointed the contractor worker as sub-contractor 3) Payment voucher evidence established based on the sub-contractor rate		
Root cause analysis:	Not aware that contractor worker still needs to pay minimum wages order 2020, EPF and SOCSO even though it is a family business with the father as the only registered owner of the company.		
Corrective Actions:	Future contractor appointment must be complete with the contractor worker agreement and payslip / voucher evidence.		
Assessment Conclusion:	The correction and corrective action were accepted. The evidence of effective implementation of the corrective action shall be verified in the next assessment visit.		
Verification Statement	The sampled estates have conducted a meeting session with the engaged contractors to explain about the contributions of EPF and SOCSO from the employers. Minutes of meeting were made available for verification. Verification of the sampled pay slips of the contractors' workers confirmed that the rate of EPF and SOCSO contribution has been correctly calculated. Apart from that, the workers now are paid based on the latest Minimum Wage Order, 2022. The evidence of the implementation of correction and corrective actions were found to be adequate and there was no recurrence of non-conformity. Thus, this Minor NCR is closed on 12/01/2023.		

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
1727954-201901-M1	4.4.5.7 Part 3 Major	10/01/2019	Closed on 26/02/2019
1871619-201908-M1	4.4.5.6 Part 4 Major	16/01/2020	Closed on 02/03/2020
1871619-201908-N1	4.4.4.2 Part 3 Minor	16/01/2020	Closed on 06/01/2021
1871619-201908-N2	4.5.1.2 Part 3 Minor	16/01/2020	Closed on 06/01/2021

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1871619-201908-N3	4.5.5.1 Part 3 Minor	16/01/2020	Closed on 06/01/2021
1871619-201908-N4	4.5.1.2 Part 4 Minor	16/01/2020	Closed on 06/01/2021
1871619-201908-N5	4.4.5.4 Part 3 Minor	16/01/2020	Closed on 06/01/2021
2006733-202101-M1	4.1.2.2 Part 3 Major	06/01/2021	Closed on 11/02/2021
2006733-202101-M2	4.4.4.2 Part 3 Major	06/01/2021	Closed on 11/02/2021
2006733-202101-N1	4.5.1.2 Part 3 Minor	06/01/2021	Closed on 07/01/2022
2150331-202201-N1	4.5.3.3 Part 3 Minor	07/01/2022	Escalated to Major
2150331-202201-N2	4.4.5.4 Part 3 Minor	07/01/2022	Closed on 12/01/2023
2294746-202301-M1	4.5.3.3 Part 3 Major	12/01/2023	Closed on 11/04/2023
2294746-202301-M2	4.4.5.11 Part 3 Major	12/01/2023	Closed on 11/04/2023

3.5 Issues Raised by Stakeholders



IS #	Description
1	<p>Issues: <u>Local communities (Kg Jongkok Batu, SK Jongkok Batu, SK Kerteh 1, Ketengah Jaya Estate) representatives</u> The surrounding communities have a very good relationship with the company and has been transparent to them should there be any issues of concern. There has been no undissolved issue so far. So far, the activities of the certification unit did not adversely impact the surrounding communities. The company has also always invited their representatives to attend meetings as a channel to discuss any social issues. They were also made to understand the mechanism to lodge complaint or grievance should there be any. In term of contribution, occasionally the company has provided their machinery and manpower to repair or maintain roads and drainage in the village and donation of basic supplies during flood season. There are also several villagers who are working for the company.</p> <p>Management Responses: No further issue.</p> <p>Audit Team Findings: No further issue.</p>
2	<p>Issues: <u>Local communities (Klinik Desa Jongkok Batu and Klinik Kesihatan Ketengah Jaya)</u> Klinik Desa Jongkok Batu is in Kampung Jongkok Batu and provide services to surrounding communities. The clinic is only providing light treatment, medical check-up for pregnant women and infants. In case of more critical treatment, Klinik Kesihatan Paka or Hospital Dungun will be referred to. There has been no case of accident reported to the clinic for year 2022 and 2023. Klinik Kesihatan Ketengah Jaya is in the Ketengah Jaya Town provides services for emergency treatment, light treatment, and others. Ambulance service is also available. There has been no case of accident reported to the clinic for year 2022 and 2023.</p> <p>Management Responses: No further issue.</p> <p>Audit Team Findings:</p>

	No further issue.
3	<p>Issues: <u>Vendor (Rohayani Enterprise)</u></p> <p>The vendor has a good relationship with the company where they have been providing the service for many years. The vendor also mentioned that the award of contract was done through fair and unbiased tendering process. The management and staff of the operating units have also been very accommodating should there be any issues of concern. The company has also always invited the vendor to attend the stakeholder meetings as a channel to discuss any social issues. They were also made to understand the mechanism to lodge complaint or grievance should there be any.</p>
	<p>Management Responses: No further issue.</p>
	<p>Audit Team Findings: No further issue.</p>
4	<p>Issues: <u>Gender committee representatives</u></p> <p>Among the main objectives of the committee are:</p> <ul style="list-style-type: none"> - To raise awareness, identify and address issues of concerns, opportunities, and areas for improvement for workers especially women. - To create a safe community within operations where women can raise issues and concerns at work and in their lives with a focus on zero tolerance to sexual harassment and gender-biased violence. <p>The committee is required to plan annual activities to achieve the objectives. Among the important activity planned were briefing/training to female workers/employees on understanding the meaning of sexual harassment and domestic violence and method of reporting should it happen. The management has also been very supportive with the programmes in term of financial, facilities and other resources. Since the last audit, there was no sexual harassment case reported.</p>
	<p>Management Responses: No further issue.</p>
	<p>Audit Team Findings: No further issue.</p>
5	<p>Issues: <u>Field workers (estates and mill)</u></p> <p>The management has been very accommodative to the workers in term of welfare. Safety at the workplace is a top priority imposed by the management. Adequate trainings and free PPE were among the main needs given by the management. With regards to welfare, housing facilities, water & electricity supply were always maintained in good conditions. Workers were also made to understand the mechanism to lodge complaint or grievance should there be any. There has been no issue with regards to delivering the terms & conditions stipulated in the employment contract so far.</p>
	<p>Management Responses: No further issue.</p>
	<p>Audit Team Findings: No further issue.</p>

3.6 List of Stakeholders Contacted

<p>Government Officer: Klinik Desa Kg Jongok Batu Klinik Kesihatan Ketengah Jaya SK Jongok Batu SK Kerteh 1</p>	<p>Community/neighbouring village: Kg Jongok Batu Ketengah Jaya Sdn Bhd Estate</p>
<p>Suppliers/Contractors/Vendors: Rohayani Enterprise</p>	<p>Worker’s Representative/Gender Committee: Estates and mill workers Gender committee representatives</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment, Kerteh Palm Oil Mill and Supply Bases Certification Unit complies with the MS 2530-2:2013 or MS 2530-3:2013 or MS 2530-4:2013. It is recommended that the certification of Kerteh Palm Oil Mill and Supply Bases Certification Unit is continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Ahmad Shahrir Bin Ismail	Name: Valence Shem
Company name: FGV Holdings Berhad	Company name: BSI Services (Malaysia) Sdn Bhd
Title: Senior Manager	Title: Lead Auditor
Signature: 	Signature: 
Date: 27/06/2023	Date: 25/05/2023

Appendix A: Summary of the findings by Principles and Criteria

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	<p>FGV Holdings Berhad has established Group Sustainability Policy (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 regards to sustainability matters.</p> <p>The briefing on the MSPO, RSPO, NRA, CHRA and SDS were held on 6/01/2023 at FGVAS Kerteh. The briefing was attended by 15 workers. Verified the attendance list.</p>	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	Commitment to continually improve the quality of their products and services was addressed in Clause 5.0 of the policy above 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.	<u>FGVAS Kerteh Estate</u>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>- Major compliance -</p>	<p>The internal audit for MSPO was planned to be conducted at least once a year. MSPO Internal audit for FGVAS Kerteh Estate was conducted on 20-21/12/2022 with 24 non-conformances raised (2 OFI and 22 NCR).</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>The internal audit for FGVAS Kerteh Estate was conducted on 29-30/12/2022 with 20 non-conformities raised. Internal audit was conducted by SSCD Department personnel from HQ.</p>	
4.1.2.2	<p>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.</p> <p>- Major compliance -</p>	<p><u>FGVAS Kerteh Estate and FGVPM Semaring 01 Estate</u></p> <p>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 sustainability certifications</p> <p><u>FGVAS Kerteh Estate</u></p> <p>Total of 24 nonconformances recorded in “Pelan Tindakan Untuk Ketidapatuhan Integrasi Audit Dalaman Persijilan Kelestarian 2022” has been evaluated with the root causes of the nonconformities was identified. Correction and corrective action have been implemented with all nonconformances raised was effectively closed. Thus, previous major nonconformances raised was remain closed.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>Total of 20 nonconformances recorded in “Pelan Tindakan Untuk Ketidapatuhan Integrasi Audit Dalaman Persijilan Kelestarian 2022” has been evaluated with the root causes of the nonconformities was identified. Correction and corrective action have been implemented with all</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		nonconformances raised was effectively closed. Thus, previous major nonconformances raised was remain closed.	
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 with the corrective action plan developed. The results of internal audit were reviewed and discussed during the management review meeting conducted on 26/12/2022 for FGVAS Kerteh Estate and 18/01/2023 for FGVPM Semaring 1 Estate.	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 -	<p><u>FGVAS Kerteh Estate</u></p> <p>The management of FGVAS Sdn Bhd Kerteh has conduct the Management Review Meeting No: 02/2022 on 26/12/2022, time 10.00am at “Bilik Mesyuarat Ladang Kerteh” attend by:</p> <ol style="list-style-type: none"> 1. Mohd. Fauzi Isahak 2. Mohd Zulhimi Abd Manaf 3. Mohd Haizan Yahya 4. Loqman 5. Khairol Amir Idris 6. Rosli Abd Rahman <p>Verified in the Management Review meeting discussion on:</p> <ol style="list-style-type: none"> 1. Internal Audit report year 2022 on the 24 non-conformances. 2. Customer satisfaction on the Complaint and Grievances. 3. HSE - to do all the necessary training for oil palm plantation and update all the record. 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		4. Environment – Zero burning reminder in estate and workers amenities. 5. Social – No new impact all the existing mitigation has been maintained. 6. Replanting – None 7. Management Research - MSPO implementation <u>FGVPM Semaring 01 Estate</u> For FGVPM Semaring 01, the meeting was planned by the management on 18/01/2023 due the Internal Audit from HQ just completed the report on 06/01/2023.	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	<u>FGVAS Kerteh Estate</u> Action plan for the continual improvement was identified. For FGVAS Kerteh Estate, improvements identified such as: a) To reduce on depending on the chemical fertilizer b) To use the paper effectively. c) To form “Gotong Royong Perdana” d) To increase the productivity of the workers. <u>FGVPM Semaring 01 Estate</u> Action plan for the continual improvement was identified. For FGVPM Semaring 01 Estate, improvements identified such as: a) To increase the yield by applying EFB. b) To ensure “Zero Burning” activities	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>c) To achieve yield 11.37mt/ha at cost RM257.08/mt.</p> <p>d) Environment – Zero burning and reduce chemical usage.</p> <p>e) Social – To have frequent meeting with workers.</p>	
4.1.4.2	<p>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.</p> <p>- Major compliance -</p>	<p><u>FGVAS Kerteh Estate</u></p> <p>There was no new application of new technology implemented during the certification period. The current practices continued and guide by Regional Controller.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>The management of FGVPM Semaring 01 has introduced new technology on Manuring Application for Sub Soil using mechanized Auger. The training was held on 21/04/2022 at FGVPM Semaring 01 Estate. Verified the training was attend by 8 workers. Verified the attendance list.</p>	Complied
4.1.4.3	<p>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.</p> <p>- Major compliance -</p>	<p><u>FGVAS Kerteh Estate</u></p> <p>Thus far, no new technology being introduce or implemented at FGVAS Kerteh Estate.</p> <p><u>For FGVPM Semaring 01 Estate</u></p> <p>Any new information on the implementation the new techniques or new industry standard or technology were updated to employees through morning briefings, memo, meetings and training. Refer the statement at clause 4.1.4.2 for FGVPM Semaring 01 Estate.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>Procedure Communication, Involvement and Consultation FGV/ML-1A/L2-Pr12 issue 1 version 0 dated 01/06/2016 and has been communicated in Malay language (national language) through letters to external stakeholders. External stakeholders’ consultation was held with slides to explain on MSPO requirements on 09/06/2022.</p> <p>Stakeholder meeting was conducted in every 5 years as per SIA SOP FGV/ML-1A/L2-Pr21 issue 1 re 2 dated Mach 2019. Policies are also displayed in POM and office mainly for internal stakeholders. The last stakeholders meeting was conducted on 09/06/2022 for a combination of three FGV and Felda complexes i.e., Kerteh, Jerangau Baru and Jerangau Barat. Among the stakeholders attended were government agencies, contractors/suppliers, and surrounding communities.</p>	<p>Complied</p>
4.2.1.2	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>The estates hold copies of each of the management documents that are required to be publicly available. Apart from that, all the information such as annual report, sustainability news and policies were found available in the company’s website: www.fgvholdings.com</p> <p>Records of inspections and visits by the authorities were maintained such as DOSH and DOE visits.</p>	<p>Complied</p>
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>FGV has developed “<i>Komunikasi, Penglibatan dan Rundingan</i>” procedure (Doc. No. FGV/ML-1A/L2-Pr12 issue 1, rev. 0 dated 1/6/2016) where the procedure has stated the information that provided to the stakeholders such</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
		as policies, social impact assessment and environment aspects. The estates have conducted a stakeholder meeting on 09/06/2022. During the meeting, the management has explained the requirements of sustainable palm oil certification to all the stakeholders. Apart from that, briefing of policies and management procedures of sustainability was also given.	
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 -	Based on the above procedure, the operating unit's manager is the person to be responsible to handle the issues related to Indicator 1.	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 -	The stakeholder lists were last updated in January 2023 where internal and external stakeholders have been included in the list. Stakeholder meeting was last conducted on 09/06/2022 with the participation of internal and external stakeholders such as FFB suppliers, government authorities, contractors, and local communities. Requests or enquiries raised during the meeting was responded by the management and recorded in the minutes.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	<u>FGVAS Kerteh Estate & FGVPM Semaring 01</u> Manual Ladang Sawit Lestari, 8.0 Mengangkut BTS ke Kilang [MLSL (Ed.2) – Sec.4 (8.0), 1/6/2012] has been established to provide guideline on delivery of FFB to the mill. Among the documents & records found to be maintained were: <ul style="list-style-type: none"> • Nota Penghantaran BTS • Slip Akuan Penerimaan (weighbridge ticket) • Slip Grading • Sijil Mutu BTS 	Complied
4.2.3.2	The management shall conduct regular inspections on	<u>FGVAS Kerteh Estate & FGVPM Semaring 01</u>	Complied

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	compliance with the established traceability system. - Major compliance -	Various means were available on how to monitor the traceability where among others the updating of FFB delivery records, through month end account closing and internal audit. Based on the records of FFB delivery, it was found that the procedure of traceability was well implemented.	
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	FGVAS Kerteh Estate: Mr Mohd Zulhilmi Abd Manaf dated 03/04/2021. FGVPM Semaring 01 Estate: Mr Mohamad Afrizal Abdullah dated 10/02/2021 and Mohd Zain bin Dereh date 10/2/2021.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	<u>FGVAS Kerteh Estate and FGVPM Semaring 01 Estate</u> Verification of the records and documents mentioned in 4.2.3.1 showed that the deliveries of FFB were well maintained. Crosschecking between the daily FFB delivery records and the transportation documents showed that the records were accurate and well maintained. Sample of weighbridge ticket were: Sample 1: FGVAS Kerteh Estate Date No.: 04/01/2023 Ticket no: A00000506 RSPO no: 693209 No Pass: 01391506 Lorry No: W 9254H Weight: 3.22mt FFB Price: RM802.40 DO. No: 00257 Sample 2: FGVAS Kerteh Estate	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Date No.: 03/01/2023 Ticket no: A00000504 RSPO no: 693209 No Pass: 01391472 Lorry No: W 9254H Weight: 3.31mt FFB Price: RM787.50 DO. No: 00256</p> <p>Sample 1: FGVPM Semaring 01 Estate Date No.: 03/01/2023 Ticket no: A00000501 RSPO no: 693209 No Pass: 01391471 Lorry No: DBA 4761 Weight: 7.86mt FFB Price: RM791.70 DO. No: 332371</p> <p>Sample 2: FGVPM Semaring 01 Estate Date No.: 02/01/2023 Ticket no: A00000334 RSPO no: 693209</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		No Pass: 01391441 Lorry No: DBA 4761 Weight: 6.51mt FFB Price: RM785.40 DO. No: 332367	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	<p><u>FGVAS Kerteh Estate</u></p> <p>1. MPOB License; License Number: 502671002000; License Validity Period: 01/04/2022 – 31/03/2023 for hectarage 111.954 hectare.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>1. MPOB License; License Number: 560381002000; License Validity Period: 01/05/2022 – 30/04/2023; Estate Area: 1,246.47 Ha.</p> <p>2. Perakuan Kelayakan Pengandung Tekanan tak Berapi - PMT-TG/22 30183 for Horizontal Air Receiver Tank at 0.09m³ and 1050 kilo pascal.</p> <p>3. Permit Khas Barangan Kawalan Berjadual. No Siri PK: T 001310. Reference number: B.PGK/DGN/01/014(190) for petrol 100 liter.</p> <p>4. Laporan Pemeriksaan Alat Timbang dan Sukat di bawah Peraturan-peraturan Timbang dan Sukat 1991, reference: MCM/TKE/22/257(2.1K 029168) TKE-ATK-009751. Date inspection 05/01/2023. Certification number: A 024314.</p>	Complied
4.3.1.2	The management shall list all laws applicable to their	<u>FGVAS Kerteh Estate</u>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	operations in a legal requirements register. - Major compliance -	<p>Identification and documentation of applicable legal requirements is guided by Manual Procedure, Legal and Other Requirements (FPI/L2/QOSHE 2.0, 29/11/2016).</p> <p>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:</p> <ol style="list-style-type: none"> 1. FGVPM Semaring 01 Estate: 07/12/2022 2. FGVAS Kerteh Estate: 07/12/2022 <p>The register has info about Legal and Other Requirements, Enforcement Body, Main requirement, Enforcement standard, Penalty (RM), Responsible Departments and Compliance status.</p> <p>On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operation. Tracking system on any changes in the law had been well implemented.</p>	
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 -	<p><u>FGVAS Kerteh Estate</u></p> <p>Tracking system to identify changes in the relevant regulations were available through the head office, website information and is communicated from the Group Head Office. Sighted the latest review to include new updates for Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019, Minimum Wages Order 2020, Auxiliary Police Regulations 1970 & Akta Pencegahan & Pengawalan Penyakit Berjangkit 1988 (Movement Control Order 2020).</p>	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.	<p><u>FGVAS Kerteh Estate</u></p> <p>FGV Holdings Berhad have centralised system for tracking any changes in the law as per "Panduan: Sistem Pengesanan Perubahan Undang-undang" dated 23/6/2017, Version:04. Any changes in the relevant regulations is</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	through Plantation and Sustainability Department and the Manager, who are sole responsible.	
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	There was no evidence that the oil palm cultivation activities are diminishing the land use rights of other users.	Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	The estates were able to demonstrate its right to use the land through the following documents: 1) <u>FGVPM Semaring 01 Estate</u> Agreement to Lease, dated 1/11/2011, between Felda Global Ventures Holdings Sdn Bhd (leasee) and FELDA (lessor), lease period: 99 years Tenancy Agreement 1 dated 6/1/2012 between Felda Global Ventures (Malaysia) Sdn Bhd and FELDA, where area allocated for FGVPM Semaring 01 Estate is 1,246.47 Ha. 2) <u>Kerteh Estate</u> The estate (which is under FGV Holdings Berhad) is able to demonstrate its right to use the land (110.56 Ha) through an agreement entitled "Second Supplement Agreement", dated 2/9/2020 between FELDA and FGV Agri Services Sdn Bhd (FGVASSB). The agreement is to supplement the Tenancy Agreement (Principal Agreement) dated 7/2/2018. There is also a land lease approval from FELDA [ref.: (45)1450/1/11 Pt.2, dated 09/04/2021] to FGVASSB which states the lease period has been extended from 01/01/2021 to 31/12/2035.	Complied
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where	The estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary	Complied

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Criterion / Indicator		Assessment Findings	Compliance																												
	<p>practicable.</p> <p>- Major compliance -</p>	<p>stones/markers/trenching at the 2 estates, during the field inspection confirmed that they were clearly marked and maintained.</p> <table border="1"> <thead> <tr> <th></th> <th>Estate</th> <th>Field</th> <th>Neighbouring properties</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>PM12D Blk 5</td> <td>Kg Kuala Jengai</td> </tr> <tr> <td>2</td> <td>Semaring 01</td> <td>PM11C Blk 2</td> <td>Kg Jongok Batu</td> </tr> <tr> <td>3</td> <td>Semaring 01</td> <td>PM13E Blk 10</td> <td>Hutan Simpan Cemerong</td> </tr> <tr> <td>4</td> <td>Kerteh Estate</td> <td>P01-15 (D01)</td> <td>FELDA Kerteh 05</td> </tr> <tr> <td>5</td> <td>Kerteh Estate</td> <td>P01-15 (D04)</td> <td>FELDA Kerteh 05</td> </tr> <tr> <td>6</td> <td>Kerteh Estate</td> <td>P01-15 (D05)</td> <td>FELDA Kerteh 05</td> </tr> </tbody> </table>		Estate	Field	Neighbouring properties	1	Semaring 01	PM12D Blk 5	Kg Kuala Jengai	2	Semaring 01	PM11C Blk 2	Kg Jongok Batu	3	Semaring 01	PM13E Blk 10	Hutan Simpan Cemerong	4	Kerteh Estate	P01-15 (D01)	FELDA Kerteh 05	5	Kerteh Estate	P01-15 (D04)	FELDA Kerteh 05	6	Kerteh Estate	P01-15 (D05)	FELDA Kerteh 05	
	Estate	Field	Neighbouring properties																												
1	Semaring 01	PM12D Blk 5	Kg Kuala Jengai																												
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3	Semaring 01	PM13E Blk 10	Hutan Simpan Cemerong																												
4	Kerteh Estate	P01-15 (D01)	FELDA Kerteh 05																												
5	Kerteh Estate	P01-15 (D04)	FELDA Kerteh 05																												
6	Kerteh Estate	P01-15 (D05)	FELDA Kerteh 05																												
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>- Minor compliance -</p>	<p>FGV has developed procedure on "<i>Pengenalpastian dan penyelesaian pertikaian tanah</i>" with Doc. No. ML-1A/L1-Pr10(0) dated 1/6/2016. The objective of the procedure is to handle and monitor issue raised from local communities on customary or user rights. Procedure on the compensation to the people entitled and monitoring of boundary stone was detailing in the procedure. Compensation will be paid according to basic cost/acre and market land price. There is no land dispute at the sampled estates at the point of audit. The surrounding land is owned by FELDA, settlers, forest reserve, etc. Interviewed with the stakeholders confirmed that no encroachment of land by the company.</p>	Complied																												
Criterion 4.3.3 – Customary rights																															
4.3.3.1	<p>Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.</p> <p>- Major compliance -</p>	<p>The land is legally owned by FELDA and leased to Felda Global Ventures Holdings Sdn Bhd and FGV Agriculture Services Sdn Bhd. The existing land is not encumbered by any customary land rights.</p>	Not applicable																												

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Criterion / Indicator		Assessment Findings	Compliance
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 Felda Global Ventures Holdings Sdn Bhd and FGV Agriculture Services 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 negotiated agreements should be made available. - Major compliance -	The land is legally owned by FELDA and leased to Felda Global Ventures Holdings Sdn Bhd and FGV Agriculture Services 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			
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 -	<p>Social Impact Assessment was carried out by FGV's Certification & Due Diligence (CDD) unit on 23/5/2018 (FGVPM Semaring 01) and 21/5/2018 (FGVAS Kerteh). The assessment has involved the participation of relevant stakeholders such as local authorities, employees, contractors, settlers, and local communities.</p> <p>A reassessment of social impact was conducted in Aug 2022 by the Sustainability Compliance & Certification Dept. and action plan was thereafter developed and monitored by the management which extracted from the SIA. The latest management plan was updated in 2023, for e.g.:</p> <ol style="list-style-type: none"> 1) To improve understanding among the workers about forced labour 2) To review the price rate of all contractors to suit the current conditions 3) To continue improving the understanding among workers about the employment contract conditions 4) To build new hostel for workers accommodation 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	FGV has developed procedure of " <i>Menangani Aduan dan Rungutan</i> " (Doc. No.: FGV/GSD-SCCD/SOP/010, ver. 3, dated 01/06/2022). The objective of the procedure is to provide a channel and official mechanism for the internal stakeholders and external stakeholders to lodge any complains to the management. Mechanism to handle complaints was clearly described in the procedure. The time frame for investigation of the issue should be done within 14 working days.	Complied
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	The estates are having a logbook to record complaints or requests from the stakeholders. Most of the complaints were about housing defects. Based on the records of complaints lodged, the actions taken by the management were appropriate and timely manner.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	The complaint record books were available in the office, where the stakeholders can easily access in order to lodge their complaint. The feedbacks from the complainant were also recorded in the book.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Interview with internal and external stakeholder during stakeholder consultation found that they were aware of the complaint procedure and were briefed by the management during stakeholder meeting.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	The records of complaint for the past 24 months (since January 2020) were well maintained and made available for verification.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			

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4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>Among the notable contributions to local development given by the estates and mill are as follows:</p> <ul style="list-style-type: none"> - Providing manpower for <i>gotong royong</i> programme at nearby communities - Donations to flood victims which consists of staff, and nearby villages 	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><u>FGVAS Kerteh & FGVPM Semaring 01 Estate</u></p> <p>FGV Holdings Berhad has established OSH Policy signed by Mohd Nazrul Izam Mansor, Group Chief Executive Officer dated 05/11/2021. Refer doc no FGV/GHR/HSEQ/POL/003 Rev. 05.</p> <p>FGV Holdings Berhad has documented safety and health policy in the Group Sustainability Policy under section 5.2.4: Health and Safety. The Group Sustainability Policy was signed by the CEO on 17/11/2020. Refer doc. no FGV/SED/POL/001 rev. 4(BI).</p> <p>In the policy stated the commitment:</p> <ul style="list-style-type: none"> • To provide a healthy and safe working environment its operations for all its workers and employees; and • Shall allocate appropriate resource to minimize and eliminate Health and Safety risks. <p>The briefing on the Policy was held on 25/09/2022 at FGVAS Kerteh at 0700hours during muster call. The briefing was attended by 10 workers (new workers).</p>	Complied
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p>	<u>FGVAS Kerteh Estate</u>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust 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</p>	<p>a) FGV Holdings Berhad has established OSH Policy signed by Mohd Nazrul Izam Mansor, Group Chief Executive Officer dated 05/11/2021. Refer doc no FGV/GHR/HSEQ/POL/003 Rev. 05.</p> <p>The briefing on the Policy was held on 25/09/2022 at FGVAS Kerteh at 0700hours. The briefing was attended by 10 workers (new workers).</p> <p>b) HIRARC was available in the mill to identify assess and provide controls for all the risks associated to the operations in the mill. Sighted the HIRARC for Trunk Injection, Harvesting, Internal Transport and FFB Loader.</p> <p><u>FGVAS Kerteh Estate</u></p> <p>Noise Risk Identification was conducted in accordance with the requirements under OSHA (Noise Exposure) Regulation 2019 in the estate on 11/11/2022 Ref: NRA/1122/029/FGVKERTEH. This assessment conducted by Active ESH Sdn Bhd.</p> <p>The Chemical Health Risk Assessment was conducted to assess all risks associated to hazardous chemicals that are used in the estate operations. The assessments were conducted by Unit HSE, Kluster R&D dan Khidmat Agri, Pusat Penyelidikan Pertanian Tun Razak (HIE 127/171-2 (303)) on 11/09/2017. The CHRA Report (Report Number: CHRA/0721/009/FGV-GNR, date assessment 19-22/7/2021, assessor Chin Woei Shin (HQ/14/ASS/00/345). Dosh ref. no.: HQ/14/ASS/00/345-2021/059 was available for verification in the estate. The management have implemented all the recommendations provided by the assessor in the report.</p>	

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Criterion / Indicator		Assessment Findings					Compliance															
	<p>and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Medical Surveillance 2022 was conducted for workers exposed to hazardous chemicals in the estate. The medical surveillance was conducted on 17/10/2022 for 2 workers at Klinik Syed Badarudin Terengganu Sdn Bhd. The results indicated that all workers were fit to work.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>CHRA Chemical Health Risk Assessment was conducted in the estate by Ihsan Sharif Resources on 20/10/2021 – 05/11/2021. The CHRA Report (JKKP HQ/08/ASS/00/85-2021-0006) was available for verification.</p> <p>Baseline Noise Risk Assessment has been conducted at FGVPM Semaring 01 Estate on 09/03/2021 by Noise Risk Assessor, Mohd Syukri bin Jamaluddin (JKKP Registration No.: HQ/14/PEB/00/136). The NRA Report (N0136/2103-021) was available for verification.</p> <p>A total 23 workers were identified to be exposed to hazardous chemicals in the estate and sent for medical surveillance on 08/11/2021 – 13/12/2021 at Klinik Syed Badaruddin. The results have not been produced by the clinic yet as of to date. Earlier Medical Surveillance conducted in December 2020 for 23 workers indicated that all workers were fit to work.</p> <p>c) A training programme has been developed and available in the Training Requirement for Operating Units. The trainings were sighted to have included Gender Specific Training and involves staffs and workers.</p> <p><u>FGVAS Kerteh Estate</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>No</th> <th>Type of Training</th> <th>Date</th> <th>Venue</th> <th>Participants</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Cara Melapor Kemalangan</td> <td>07/08/22</td> <td>Office</td> <td>1</td> </tr> <tr> <td>2</td> <td>PPE Usage</td> <td>07/08/22</td> <td>Office</td> <td>1</td> </tr> </tbody> </table>					No	Type of Training	Date	Venue	Participants	1	Cara Melapor Kemalangan	07/08/22	Office	1	2	PPE Usage	07/08/22	Office	1	
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1	Cara Melapor Kemalangan	07/08/22	Office	1																		
2	PPE Usage	07/08/22	Office	1																		

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		3	Cara memadam api	28/12/22	Office	15	
		4	Penerangan berkenaan bayaran semula passport pekerja baru & KUK	10/10/22	Office	10	
		5	Polisi Alam Sekitar	25/09/22		10	
		6	Penggunaan Emergency shower & eyewash.	22/08/22	Office	1	
		7	Pengendalian alatan dan kerja selamat	07/09/22	Office	5	
		8	Penerangan Polisi HSE kepada kontraktor	06/08/22	Office	1	
		9	Pengendalian Selamat Alatan Kerja Menuai	07/08/22	Office	1	
		10	Pengendalian alatan dan kerja selamat bagi aktiviti menuai BTS dan mencantas pelepah	24/09/22	Office	5	
		11	Penerangan dan Latihan mengumpukan tikus mengguna Butik Super	11/09/22	Office	5	
		12	Penerangan Aktiviti kerja di ladang Sawit dan penggunaan PPE yang sesuai	07/09/22	Office	5	
		13	Penerangan aktiviti kerja di ladang sawit penggunaan PPE yang sesuai	24/09/22	Office	5	
		14	Cara pemadam api	28/12/22	Office	15	

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		15	Kursus Kompetensi Pemanduan dan Penyelenggaraan Traktor	07/11/22	Dewan TAR & Dataran Masjid PPTR	35			
		16	Latihan Membasmi anak kayu	09/04/22	Office	2			
		17	Latihan membaja	22/08/22	Office	6			
		18	Latihan meracun	29/11/22	Office	6			
		<u>FGVPM Semaring 01 Estate</u>							
		No	Type of Training	Date	Venue	Participants			
		1	Taklimat membaja subsoil	21/04/22	Office	8			
		2	Mega Hearing Protective Device (HPD) Awareness	06/07/22	Muster ground	39			
		3	Latihan fungsi dan tanggungjawab AJK Keselamatan dan Kesehatan	06/04/22	Office	6			
		4	Latihan First Aider FGVPM 2022	25/05/22	Ladang Rantau Abang 1	981			
5	Latihan Fire drill	24/03/22	Padang bola FGV Semaring 01	54					

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Criterion / Indicator		Assessment Findings					Compliance
		6	Penggunaan Emergency shower & eyewash.	22/08/22	Office	1	
		7	Pengendalian alatan dan kerja selamat	07/09/22	Office	5	
		8	Penerangan Polisi HSE kepada Kontraktor	06/08/22	Office	1	
		9	Pengendalian Selamat Alatan Kerja Menuai	07/08/22	Office	1	
		10	Pengendalian alatan dan kerja selamat bagi aktiviti menuai BTS dan mencantas pelepah	24/09/22	Office	5	
		11	Penerangan dan Latihan mengumpukan tikus mengguna Butik Super	11/09/22	Office	5	
		12	Penerangan aktiviti kerja di ladang sawit dan penggunaan PPE yang sesuai	07/09/22	Office	5	
		13	Penerangan aktiviti kerja di ladang sawit penggunaan PPE yang sesuai	24/09/22	Office	5	
		14	Cara pemadam api	28/12/22	Office	15	
		15	Kursus Kompetensi Pemanduan dan Penyelenggaraan Traktor	07/11/22	Dewan TAR & Dataran Masjid PPTR	35	

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Criterion / Indicator		Assessment Findings					Compliance
		16	Latihan membasmi anak kayu	09/04/22	Office	2	
		17	Latihan membaja	22/08/22	Office	6	
		18	Latihan meracun	29/11/22	Office	6	
		19	Latihan kalibrasi	19/05/22	Office	8	
		20	Penerangan HCV	18/05/22	Office	35	
		21	Latihan membutik	05/04/22	Office	6	
		22	Latihan kendalian bahan kimia	17/07/22	Office	11	
		23	Penerangan whistleblower	04/04/22	Office	67	
		24	Penerangan hak asasi manusia	18/08/22	office	65	
		<p>d) PPE Record was available for verification. Issuance of PPE to employees is recorded in a standard form which has the information about name of employee, type of PPE, workstation, date of issuance and acknowledgment of receipt.</p> <p>e) SOP for handling chemical management was addressed in a few procedures. The procedures outline the handling of chemicals in accordance to the regulation.</p> <p>f) <u>FGVAS Kerteh Estate</u> The Estate Manager, Mohd. Fauzi Isahak has been appointed as the OSH chairman for the estate as stated in the appointment letter dated 02/05/2021 undersigned by the R&D Division head. The appointment letter as HSE committee for:</p> <ol style="list-style-type: none"> 1. En Mohd Fauzi Isahak - Chairman 2. Mohd Zulhilmi Abd Manaf – Secretary 					

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Criterion / Indicator	Assessment Findings	Compliance
	<p>3. Mohd Hanizan Yahya 4. Lukman 5. Sunil Kumar 6. Ramphani Ram 7. Suraj Prasad 8. Vinod Registration No.: J99501024586 Reference no.: (06) HSE/B/02 Date: 02/11/2022</p> <p><u>FGVPM Semaring 01 Estate</u> The Estate Manager, Mr. Muhammad Hanis Bin Abd Razak was appointed as the Chairman for Safety and Health Committee at the estate as stated in the appointment letter dated 19/02/2021 undersigned by the Regional Controller.</p> <p>g) <u>FGVAS Kerteh Estate</u> Safety & Health meetings were conducted at an interval of 3 months at the office address all the OSH related issues. Sighted the meeting minutes dated 07/07/22, 29/09/22 and 26/12/22.</p> <p><u>FGVPM Semaring 01 Estate</u> Safety & Health meetings were conducted at an interval of 3 months at the mill to address all the OSH related issues. Sighted the meeting minutes dated 23/03/2022 (47)FGVPM/488/5-1-04, 15/06/2022</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>(48)FGVPM/488/5-1-04, 19/09/2022 (48) FGVPM/488/5-1-04 and 06/12/2022 (49) FGVPM/488/5-1-04.</p> <p>h) Emergency Procedures and Safe Working Procedures were available at the office, workshops and chemical stores. Emergency Plans were available for identified incidences such as Fire, Accident, Chemical Spillage and Evacuation. Emergency Response Team was formed in the estate to counter any unwanted emergencies. ERP and Fire Extinguisher Training was conducted on 10/03/2021 at FGVPM Semaring 01 Estate.</p> <p>i) <u>FGVAS Kerteh Estate</u> First Aid Kits were available at all sampled work units Spraying Gang, Harvesting Gang, Workshop, Boiler Station and Chemical Store. The first aid kits were well equipped with first aid items as stated in the list. All items were seen to be replenished at monitored regularly as per the monitoring checklist. The First Aid Kit holders were aware on how to use the items in case of an emergency. Basic Occupational First Aid, CPR & AED Training was attended by the staff from FGVAS Kerteh estate on 10 – 11/11/2021 while at FGVPM Semaring 01 Estate on 04/01/2022. <u>FGVPM Semaring 01 Estate</u> First Aid Kits were available at all sampled work units Spraying Gang, Harvesting Gang, Workshop, Boiler Station and Chemical Store. The first aid kits were well equipped with first aid items as stated in the list. All items were seen to be replenished at monitored regularly as per the monitoring checklist. The First Aid Kit holders were aware on how to use the items in case of an emergency.</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Basic Occupational First Aid, CPR & AED Training was attended by the staff from FGVPM Semaring Estate on 07 – 08/06/2022. The course is provided from Southern Advance Corporation No SAC-222-60148. Sighted the BOFA/AED Competency for En. Mohd Afrizal b. Abdullah and En Edy Ezuan bin Abu Bakar.</p> <p>j) <u>FGVAS Kerteh Estate</u></p> <p>Accident records were maintained at 1 case only in year 2022 and updated on a monthly basis at the estates. The JKPP 8 report was sent to JKPP but not yet get reply. Last year report JKPP/93082/2021.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>There was no accident reported for the year 2022 in the estate. The JKPP 6 form and accident investigations were available for verification. The JKPP 8 form for the year 2022 has been submitted to DOSH on 2/01/2023 and available for verification. Reference number JKPP 8/118294/2022. There were 1 accident reported in 05/06/2022 for 2 workers sting by bee in the estate for the year 2022. The workers were award 1 day MC for each worker.</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>Good social practices regarding human rights were addressed in the FGV Holdings Bhd’s Group Sustainability Policy [doc. no. FGV/SED/POL/001, rev. 4, dated 17/11/2020] which was approved by the board of directors. Among the commitments covered in the document are Promoting Economic Growth, Respecting Human Rights, and Protecting the Environment, to name a few. Communication to the employees was done in various methods such as briefing during morning muster, display on notice boards and training. Interview with workers showed that they have a good understanding on human rights.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 -	The company is committed to ensure all the employees are treated equally regardless of race, nationality religion, gender, age, and other political opinions. Interview with the workers showed that no discrimination is being practiced.	Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	There was no trade union at both estates. Nonetheless, workers were aware that there is no restriction for them to join any union. 20 workers were sampled for the appropriateness of their employment contract and pay slips. Based on verification of pay slips and interview with the workers, the pay and conditions were found to be meeting the legal minimum standard and in-line with the employment contracts.	Complied
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance -	The management is ensuring the employees of contractors are paid based on legal or industry minimum standards by verifying the payslips of the workers. Crosschecking of sampled of the payslips showed that the pay was delivered accordingly including the employer's contribution of EPF, SOCSO and EIS.	Complied
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	All the recruited workers will be registered in the Human Resource Management System (OPMS) or SAP system where personal details such as name, nationality, date of employed, job description, wage rate, date of birth, gender and entitlement of public holiday was stated in the biodata form.	Complied
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee	Employment contract is provided for every worker which is signed by the employer and employees. Based on verification of the contract contents, the stipulated terms & conditions found to be fair. 20 samples of	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	indicated in the employment records. - Major compliance -	employment contracts verified, and based on interview, the workers had voluntarily signed the contracts and they were also made to understand the contents by the management.	
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	The working hours are manually recorded during muster call and thereafter transferred to computerised wage payment system. Verification on the system and pay slips confirmed that the attendance was accurately recorded.	Complied
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	Working hours and breaks stated in the employment contract were found to be complied with the legal requirements. Based on interview with workers and document review, it was confirmed that overtimes offered and taken were based on mutual agreement. The rate calculation was also found to be in accordance with legal requirement. Based on sampled pay slips, there was no evidence that the total overtime in a month exceeded the legal requirement.	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 -	Documented payslips were given to each worker on pay day, which is not later than 7 th of every month. Wages and overtime were paid according to the attendance record which includes the total hours of overtime and daily attendance. Among the information available in the payslip was name of workers, itemised details of income, itemised details of deduction, no. of turn-out days, no. of absent days, and nett income to name a few.	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 -	All the workers are provided with medical facilities and SOCSO. The company is also providing free transportation to commute workers to nearby town to buy their basic supplies once a month.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Major compliance -</p>	<p>Hostels were provided to workers with basic amenities. Water and electricity are supplied from public domain which is subsidised by the employer. Inspections of quarters in accordance with Workers' Minimum Standards of Housing and Amenities Act 1990 were done on weekly basis. Records of inspection were well maintained.</p> <p>Nonetheless, at FGVAS Kerteh Estate, it was found that housing accommodation and equipment provided to new workers was not sufficient as the following lapses observed:</p> <ol style="list-style-type: none"> 1) There are 4 houses at FGVAS Kerteh Estate. 3 of them were allocated for foreign workers. However, house no. 2 and no.3 with 2 rooms/house which were allocated for Indian workers found to be overpopulated. This is not in accordance with the Act 446 Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 which stated that each employer is required to provide 3.6 m² of room for each worker. This has also been further verified with Jabatan Tenaga Kerja Negeri Terengganu through phone call which mentioned that sufficient accommodations need to be established by employer prior to arrival of workers. 2) There are 13 new Indian workers recruited in September 2022. However, during the site visit, it was found that 6 workers have yet to be provided with wardrobes. This is not in-line with the foreign workers employment contract, Clause 10, which reads, every new employee is eligible to receive the following personal equipment provided for free by the employer: <ol style="list-style-type: none"> v) Wardrobe, bed, mattress, bedsheet, pillow, and pillowcase vi) Cooker and gas cylinder 	<p>Major non-conformity</p>

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Criterion / Indicator		Assessment Findings	Compliance
		<p>vii) Cooking utensils viii) Essential dry foodstuffs</p> <p>Besides that, the company's procedure entitled "<i>Kemudahan asas pekerja unit operasi</i>" doc. no. FGV/JTK/MAN/001-40, dated 24/03/2021, Clause 7.1.1 also mentioned that all workers housing needs to be provided with mattress, bed, pillow, blanket, wardrobe.</p> <p>Thus, a Major non-conformity report was assigned.</p>	
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 Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.5 Preventing Harassment and Abuse.</p> <p>Apart from that, procedure "<i>Menangani Aduan Melalui Jawatankuasa Wanita</i>" (Doc. No.: FGV/ML-1A/L2-Pr14, rev. 0, dated 1/6/2016) was established to provide a system for handling the complaint regarding sexual harassment and violence. There was no issue regarding sexual harassment and violence reported.</p>	Complied
4.4.5.13	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard. The company allows the employees to join any legal association and get approval from the management. There is no union member at both estates. Nonetheless, FGVPM Semaring 01 Estate has made an initiative to organise an annual meeting with the workers representatives. The last two meetings were conducted on 14/04/2022. The objective of the meeting is to discuss any issues related to safety & health, hostel facilities, social, and wages, to</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance						
		name a few. The representatives were selected through votes by the workers themselves.							
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard where the company will not recruit any individual who is less than 18 years of age to work in plantations. Document review on the list of workers confirmed that all the employees were above 18 years old at the point of recruitment.	Complied						
Criterion 4.4.6: Training and competency									
4.4.6.1	All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept. - Major compliance -	<p><u>FGVAS Kerteh Estate</u></p> <p>Verified annual training program for the year of 2022. All training has been conducted as per plan. Among sample of training record were verified: -</p> <ul style="list-style-type: none"> • Policy Training on safety, health and environmental dated 25/09/2022 • Emergency shower and eyewash training dated 22/08/2022 • Harvesting and safety training dated 07/09/2022 • Passport for new worker payment awareness dated 10/10/2022 • Rat Bait and chemical handling training dated 11/09/2022 • PPE application and usage training dated 07/09/2022 • Accident investigation and reporting training dated 07/08/2022 <p><u>FGVPM Semaring 01 Estate</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>No</th> <th>Training</th> <th>Program</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Penerangan Polisi Keselamatan</td> <td>Jan, Jun and Oct 2022</td> </tr> </tbody> </table>	No	Training	Program	1	Penerangan Polisi Keselamatan	Jan, Jun and Oct 2022	Complied
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1	Penerangan Polisi Keselamatan	Jan, Jun and Oct 2022							

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Criterion / Indicator		Assessment Findings			Compliance
		2	Penerangan Manual Keselamatan	Feb, Jul and Nov 2022	
		3	Mesyuarat JKKS	Mar, Aug and Dec 2022	
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 -	Seen all the training need / matrix of all the personnel in the files. Training Need Analysis of all workers are based on their competencies and job description.			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 -	11 workers involved in the operations have been adequately trained in safe working practice. The estates have a comprehensive Training Needs Analysis for staffs and workers, and this was sighted in the training records file. Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.			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 -	There is a Group Policy titled "Pernyataan Polisi Alam Sekitar FGV Holdings Berhad" dated 05/11/2021 signed by the Group CEO mainly in relation to			Complied

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Criterion / Indicator		Assessment Findings	Compliance																				
		<p>environmental protection. Therein the policy among others contained commitment towards:</p> <ul style="list-style-type: none"> i. To protecting the environment and conserving biodiversity through sustainable development. ii. Abide by all legislative requirement iii. Manages environmental risk and providing reasonable resources to minimize risk and pollution to environment iv. Continuing and improving efficiency towards enhancing environment. <p>From field visits and interviews with the workers there is no open burning being practiced in the estate.</p>																					
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The aspect and impact analysis for all the estate operations are documented on Aug 2017 and revised annually latest being on 09/02/2022. In the comprehensive report, the study of aspect and impact are aimed to:</p> <ul style="list-style-type: none"> a) Plan to avoid negative impact and to promote positive impacts. b) Reduction disposal of waste taking into consideration of social responsibilities. c) Plan to reduce pollution and release of GHG d) Development and implementations. <p>Aspect and impact covered the following activities/operations among others:</p> <table border="1"> <thead> <tr> <th></th> <th>Activities</th> <th></th> <th>Activities</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Poisoning of VOPs/ woodies</td> <td>9</td> <td>Grass slashing</td> </tr> <tr> <td>2</td> <td>Circle spraying</td> <td>10</td> <td>Fertilizer application</td> </tr> <tr> <td>3</td> <td>Management empty containers</td> <td>11</td> <td>Grading of FFB</td> </tr> <tr> <td>4</td> <td>Rat baiting</td> <td>12</td> <td>Vehicle maintenance</td> </tr> </tbody> </table>		Activities		Activities	1	Poisoning of VOPs/ woodies	9	Grass slashing	2	Circle spraying	10	Fertilizer application	3	Management empty containers	11	Grading of FFB	4	Rat baiting	12	Vehicle maintenance	Complied
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Criterion / Indicator		Assessment Findings				Compliance
		5	Triple rinsing	13	Chemical storage	
		6	Drainage construction	14	P & D census	
		7	Rat Baiting	15	Boundary maintenance	
		8	Road maintenance	16	Landfill management	
		Management Plan & Initiative to reduce the impact on is listed below:				
			Impact	Source	Action plan	
		1	Soil pollution	Empty chemical containers	Recycle used containers into a safe use. Disposed collectively to FGV Chador Estate prior to disposal to registered vendor as SW409.	
		2	Water pollution			
		Additionally, the following efforts were initiated by the management to reduce impact on the environment.				
			Issue	Initiative		
		1	Reduce chemical spillage	Implement mixing at designated area (store area)		
		2	Smoke emission from vehicles	Implement PMV		
		3	Diesel spillage during infilling of fuel	Establish trap, tray & spill kit		
		4	Reduce reliance on chemical usage	EFB as alternative fertilizer		
		5	Effective paper usage	Recycle practices in Estate		
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 -	The estates had established an environmental improvement plan with details to reduce and control the pollution (negative impacts) and action plan to sustain the environmental impact (positive) has been developed with details as follows:				Complied

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Criterion / Indicator		Assessment Findings		Compliance																										
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4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	<p>The program to promote the positive impacts is illustrated in 4.5.1.2 and 4.5.1.3 above. In addition, there are other initiative planned for improvement in promoting social and environmental issues as listed below:</p> <table border="1"> <thead> <tr> <th></th> <th>Category</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>KE - Environment</td> <td>Landfill - Diversion to MD Dungun site - 2024</td> </tr> <tr> <td>2</td> <td>KE - Operations</td> <td>Mechanized FFB collection 3 Wheeler Trailer</td> </tr> <tr> <td>3</td> <td>KE- Operations</td> <td>3 units 6 mt bin - 2024</td> </tr> <tr> <td>4</td> <td>KE - Welfare</td> <td>2 Staff quarters - RM250K - 2023</td> </tr> <tr> <td>1</td> <td>SE01 - Operations</td> <td>P/Barrow 5 units - RM80K FFB collection 2023</td> </tr> <tr> <td>2</td> <td>SE01 - Welfare</td> <td>Relocation of workers hostel - RM2M - 2024</td> </tr> <tr> <td>3</td> <td>SE01 - Welfare</td> <td>Children Playground - RM50K - 2023</td> </tr> <tr> <td>4</td> <td>SE01 - Welfare</td> <td>New community Hall - 2023 - RM1M</td> </tr> </tbody> </table>		Category	Details	1	KE - Environment	Landfill - Diversion to MD Dungun site - 2024	2	KE - Operations	Mechanized FFB collection 3 Wheeler Trailer	3	KE- Operations	3 units 6 mt bin - 2024	4	KE - Welfare	2 Staff quarters - RM250K - 2023	1	SE01 - Operations	P/Barrow 5 units - RM80K FFB collection 2023	2	SE01 - Welfare	Relocation of workers hostel - RM2M - 2024	3	SE01 - Welfare	Children Playground - RM50K - 2023	4	SE01 - Welfare	New community Hall - 2023 - RM1M	Complied
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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	A training program is available in the Training Program updated on a yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment e.g., environmental, safety & health policy, scheduled waste management, environmental	Complied																											

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Criterion / Indicator		Assessment Findings				Compliance																																								
	objectives. - Major compliance -	responsibility, HCV & Biodiversity training. Other training organized in relation to environmental issues and activities among other as listed below: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Subject</th> <th>Semaring 01</th> <th colspan="2">Kerteh</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>HCV/ Invasive Species</td> <td>20/04/22</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td>2</td> <td>RSPO/MSPO Policy</td> <td>04/04/22</td> <td colspan="2" style="text-align: center;">25/09/22</td> </tr> <tr> <td>3</td> <td>Spraying at Buffer zone</td> <td>23/08/22</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td>4</td> <td>SW Management/ Triple R</td> <td>24/08/22</td> <td colspan="2" style="text-align: center;">07/01/22</td> </tr> <tr> <td>5</td> <td>Buffer Zone Management</td> <td>06/07/22</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td>6</td> <td>S/holder environmental</td> <td style="text-align: center;">-</td> <td colspan="2" style="text-align: center;">06/08/22</td> </tr> <tr> <td>7</td> <td>Hari Alam Sekitar Sedunia</td> <td>08/06/22</td> <td colspan="2" style="text-align: center;">-</td> </tr> </tbody> </table>					Subject	Semaring 01	Kerteh		1	HCV/ Invasive Species	20/04/22	-		2	RSPO/MSPO Policy	04/04/22	25/09/22		3	Spraying at Buffer zone	23/08/22	-		4	SW Management/ Triple R	24/08/22	07/01/22		5	Buffer Zone Management	06/07/22	-		6	S/holder environmental	-	06/08/22		7	Hari Alam Sekitar Sedunia	08/06/22	-		
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4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Subjects concerning environmental are also included and discussed in the ESH committee meeting. The dates of meeting held by the estates are recorded below. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Estate</th> <th>1st</th> <th>2nd</th> <th>3rd</th> <th>4th</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Kerteh</td> <td>26/12/22</td> <td>29/09/22</td> <td>07/07/22</td> <td>17/03/22</td> </tr> <tr> <td>2</td> <td>Semaring 01</td> <td>06/12/22</td> <td>19/09/22</td> <td>15/06/22</td> <td>28/03/22</td> </tr> </tbody> </table> Sighted minutes of meeting available in the ESH meetings. Agenda in relation to environmental among others include: <ul style="list-style-type: none"> a) <i>Laporan Pematuhan Undang-Undang</i> b) <i>Laporan Kesehatan & Kawasan Perumahan</i> c) <i>Laporan Kejadian Pencemaran Alam Sekitar</i> In addition, the management organized EPMC (Environmental Performance Monitoring Committee) yearly. Issues were related to the environmental performance of all units within the Region. Recent being on 26/12/2022 and 21/06/2022 for FGVAS Kerteh and FGVPM Semaring 01 Estates respectively.					Estate	1 st	2 nd	3 rd	4 th	1	Kerteh	26/12/22	29/09/22	07/07/22	17/03/22	2	Semaring 01	06/12/22	19/09/22	15/06/22	28/03/22	Complied																						
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Criterion 4.5.2: Efficiency of energy use and use of renewable energy																																																																													
<p>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.</p> <p>- Major compliance -</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented in the estates. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement. Monitoring is made using diesel/mt FFB, commentary on variance on irregularities variances. Data for 2022 utilization as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr> <th></th> <th>Mth</th> <th>Semaring 01</th> <th>Kerteh</th> <th>Mth</th> <th>Semaring 01</th> <th>Kerteh</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Jan</td> <td>3.25</td> <td>2.62</td> <td>July</td> <td>1.90</td> <td>3.83</td> </tr> <tr> <td>2</td> <td>Feb</td> <td>3.40</td> <td>4.43</td> <td>Aug</td> <td>1.95</td> <td>2.28</td> </tr> <tr> <td>3</td> <td>Mac</td> <td>3.84</td> <td>3.15</td> <td>Sept</td> <td>1.80</td> <td>3.73</td> </tr> <tr> <td>4</td> <td>April</td> <td>3.08</td> <td>2.74</td> <td>Oct</td> <td>1.83</td> <td>2.72</td> </tr> <tr> <td>5</td> <td>May</td> <td>2.15</td> <td>3.42</td> <td>Nov</td> <td>1.96</td> <td>2.75</td> </tr> <tr> <td>6</td> <td>June</td> <td>3.05</td> <td>3.47</td> <td>Dec</td> <td>2.58</td> <td>4.66</td> </tr> <tr> <td></td> <td>Total</td> <td>-</td> <td>-</td> <td>-</td> <td>25314</td> <td>5971</td> </tr> <tr> <td></td> <td>B/line</td> <td>-</td> <td>-</td> <td></td> <td>1.13</td> <td>450L</td> </tr> </tbody> </table> <p>The Environment Management Plan 2023 for efficiency of fossil fuel usage are detailed below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Target</th> <th>Objective</th> <th>Action plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Backhoe tractor/ Machines</td> <td>To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment</td> <td>To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel</td> </tr> <tr> <td>2</td> <td>Van/ Supervisory vehicle</td> <td>To reduce fossil fuel (diesel) consumption from company-owned</td> <td>To record vehicle activity in order to eliminate waste activity which consume fuel.</td> </tr> </tbody> </table>		Mth	Semaring 01	Kerteh	Mth	Semaring 01	Kerteh	1	Jan	3.25	2.62	July	1.90	3.83	2	Feb	3.40	4.43	Aug	1.95	2.28	3	Mac	3.84	3.15	Sept	1.80	3.73	4	April	3.08	2.74	Oct	1.83	2.72	5	May	2.15	3.42	Nov	1.96	2.75	6	June	3.05	3.47	Dec	2.58	4.66		Total	-	-	-	25314	5971		B/line	-	-		1.13	450L		Target	Objective	Action plan	1	Backhoe tractor/ Machines	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel	2	Van/ Supervisory vehicle	To reduce fossil fuel (diesel) consumption from company-owned	To record vehicle activity in order to eliminate waste activity which consume fuel.	<p>Complied</p>
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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 -	<p>The estates made estimate on the diesel consumption in the annual budget. Mainly the diesel usage is for the estate machinery for FFB collection and transportation to the mill.</p> <table border="1"> <thead> <tr> <th></th> <th>Estate</th> <th>Budget Diesel</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>14300 Liters</td> </tr> <tr> <td>2</td> <td>Kerteh</td> <td>300 Liters</td> </tr> </tbody> </table>			Estate	Budget Diesel	1	Semaring 01	14300 Liters	2	Kerteh	300 Liters	Complied
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4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	There was no opportunity to use renewable energy in the estates at current technology. Mainly such practices are made in the mills whereby fibre 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 -	FGV Estates had identified all wastes and sources of pollution. The Waste Management Action Plan 2023 were established to mitigate and control the identified wastes and source of pollution. The common significant environmental receptors for the estate and mill operations among others as		Complied									

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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> <ul style="list-style-type: none"> a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting 	<p>The estates had established SOP for chemical handling. The SOP of handling of chemicals is available in the following document:</p> <ul style="list-style-type: none"> i. Manual Ladang Sawit Lestari - Prosedur Kerja Selamat ii. Manual Sustainability 	Complied																																							

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	them into value-added by-products - Major compliance -	<ul style="list-style-type: none"> - Prosedur Kerja Selamat - Prosedur membancuh Racun di PREMIX - Pengendalian Bahan Kimia <p>a) Waste Management Plan 2023 has been established prepared by SCCD and verified by the Assistants/Manager.</p> <p>b) Interview with staffs and workers i.e. storekeepers and chemical mixer were trained and they had understood the hazards involved and how the chemicals should be used and disposed in a safe manner.</p> <p>c) Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticides containers were washed at washing station prior to disposal. Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory and consignment documents verified for confirmation of proper management and disposal.</p> <p>d) Scheduled Waste dispatches for both the estates were made as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>Estate</th> <th>Date</th> <th>SW 305</th> <th>SW410</th> <th>SW409</th> <th>SW109</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>26/10/22</td> <td>-</td> <td>-</td> <td>0.13344</td> <td>-</td> </tr> <tr> <td>2</td> <td>Semaring 01</td> <td>15/09/22</td> <td>-</td> <td>-</td> <td>0.03514</td> <td>-</td> </tr> <tr> <td>3</td> <td>Semaring 01</td> <td>07/05/22</td> <td>-</td> <td>0.0257</td> <td>-</td> <td>-</td> </tr> <tr> <td>4</td> <td>Semaring 01</td> <td>14/06/22</td> <td>0.0280</td> <td>0.0040</td> <td>-</td> <td>-</td> </tr> <tr> <td>5</td> <td>Semaring 01</td> <td>14/10/21</td> <td>-</td> <td>-</td> <td>0.0190</td> <td>-</td> </tr> <tr> <td>6</td> <td>Kerteh Estate</td> <td>01/07/22</td> <td>-</td> <td>0.0110</td> <td>0.0370</td> <td>-</td> </tr> <tr> <td>7</td> <td>Kerteh Estate</td> <td>25/04/22</td> <td>0.0140</td> <td>0.0030</td> <td>-</td> <td>-</td> </tr> <tr> <td>8</td> <td>Kerteh Estate</td> <td>08/02/22</td> <td>-</td> <td>-</td> <td>-</td> <td>0.0008</td> </tr> </tbody> </table> <p>Dispatch from Semaring 01 Estate on 14/06/2022 for SW 305 and SW 410 was to Sime Kubota Sdn Bhd (Letter dated 13/04/2022 approval form DOE</p>		Estate	Date	SW 305	SW410	SW409	SW109	1	Semaring 01	26/10/22	-	-	0.13344	-	2	Semaring 01	15/09/22	-	-	0.03514	-	3	Semaring 01	07/05/22	-	0.0257	-	-	4	Semaring 01	14/06/22	0.0280	0.0040	-	-	5	Semaring 01	14/10/21	-	-	0.0190	-	6	Kerteh Estate	01/07/22	-	0.0110	0.0370	-	7	Kerteh Estate	25/04/22	0.0140	0.0030	-	-	8	Kerteh Estate	08/02/22	-	-	-	0.0008	
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		<p>was sighted and verified). Other type were collected for collective delivery via FGV Chador Estate within the same region. Kerteh Estate delivered SW to PPTR Jerantut for onward dispatch to Kualiti Alam Sdn Bhd.</p> <p>e) Domestic waste for the operating units in CU was disposed as follows:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Estate</th> <th>Landfill site</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>PM11C Block 5</td> <td>Collection 2/3 x week</td> </tr> <tr> <td>2</td> <td>Kerteh</td> <td>Peringkat 01 - P15</td> <td>Collection 2/3 x week</td> </tr> </tbody> </table> <p>The requirement is established and in compliance. The procedure documented under this subject under Perlupusan Sisa Domestik. Document dated 01.06.2016. The procedure has detailed the definition of solid waste. The types of solid wastes have been categorized as follows:</p> <ul style="list-style-type: none"> a) <i>Sisa pepejal komersial/ pembinaan</i> b) <i>Sisa pepejal isi rumah/ perindustrian.</i> c) <i>Sisa pepejal keinstitusian</i> d) <i>Sisa pepejal import/ awam.</i> <p>In addition, there are 'Pelan Pengurusan Domestik Dan Bahan Buangan Tahun 2023. In this plan activities as scheduled are monitored with the date/month recorded. This was sighted and verified. The landfill site has signboard displayed and properly demarcated. The area is sufficiently distant from habitation and water contamination. The site disposal area (landfill area) of FGVAS Kerteh Estate was sighted and verified.</p>		Estate	Landfill site	Remarks	1	Semaring 01	PM11C Block 5	Collection 2/3 x week	2	Kerteh	Peringkat 01 - P15	Collection 2/3 x week	
	Estate	Landfill site	Remarks												
1	Semaring 01	PM11C Block 5	Collection 2/3 x week												
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4.5.3.3	The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under	FGV Estates had established SOP for chemical handling. The SOP of handling of chemicals is available in the following document:	Major non-conformity												

Criterion / Indicator	Assessment Findings	Compliance
<p>Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> i. Manual Ladang Sawit Lestari <ul style="list-style-type: none"> - Prosedure Kerja Selamat ii. Manual Sustainability <ul style="list-style-type: none"> - Prosedur Kerja Selamat - Prosedur membancuh Racun di PREMIX - Pengendalian Bahan Kimia - Pengurusan Bahan Buangan <p>The procedures for handling used chemicals classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 are available prepared on Group level by SCCD and implemented in all estates for all the applicable practices. The operational control procedures for the scheduled wastes management provides guidelines as follows:</p> <ul style="list-style-type: none"> i. Management of class 2 (and higher) chemical containers. ii. Management of fertilizer bags. <p>These documents were established on 01/6/2016 issued throughout the Group Estates and remain effective for practice in all operating units.</p> <p>However, there were non-compliance on the following with evidence: <u>FGVAS Kerteh Estate</u></p> <ul style="list-style-type: none"> a) Labelling for empty chemical container was with code SW410 instead of SW409 which is not accordance to the procedures. b) Monthly inventory has been maintained from January to December 2022. However, it was found discrepancies of physical against data. 	

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Sample shows availability of SW409 generated on 07/10/2022 in the SW store however, no data was recorded as per inventory dated October 2022 until December 2022.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>a) SW bin was labelled with a wrong code. As per evidence SW bin that contained with empty lubricant container, damaged spray equipment and rat bait plastics/container were placed with label SW410 instead of SW409</p> <p>As such an NCR is raised and the NCR established in 2022 report remained open and unclosed at the time of audit closure.</p>	
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>This is available and detailed in document titled ‘KITAR SEMULA BEKAS RACUN PEROSAK’ The objective of the guidelines is to:</p> <ul style="list-style-type: none"> i. Memelihara kesejahteraan alam sekitar ii. To comply with the GAP iii. Avoid misuse of empty pesticide containers. <p>The guidelines also reasoned out the need of triple rinsing and produced the quantity of remaining residue after the triple rinsing.</p> <p>The current practice of disposal of empty containers for the Semaring 01 Estate and Kerteh Estate PPTR Jerantut is delivered as SW409 to FGV Chador Estate Bandar Ajil Trengganu as a centralized collection for the FGV estates within the same region and PPTR Jerantut respectively. Pictorial guidelines on the methods of triple rinsing are also shown in the document. Under the operational control procedure established as given in 4.5.3.3</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance												
		<p>above the guideline and practice for handling empty pesticides are as follows:</p> <ul style="list-style-type: none"> i. All class 2 and above containers are tripled rinsed and hole punctured at the bottom only if the waste generator is to dispose as non-scheduled waste. ii. Containers to be disposed as scheduled waste need not go the triple rinsing and hole punctured process. <p>These guidelines are based on Department of Agriculture ref 91/120/038/014 dated 7/11/2002.</p>													
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Domestic waste for the estates was disposed as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Estate</th> <th>Landfill site</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>PM11C Block 5</td> <td>Collection 2/3x week</td> </tr> <tr> <td>2</td> <td>Kerteh</td> <td>Peringkat 01 - P15</td> <td>Collection 2/3 x week</td> </tr> </tbody> </table> <p>The sites were sighted and verified. The area is sufficiently distant from habitation and water contamination. The site disposal area (landfill area) is shown and marked in the estate map.</p>		Estate	Landfill site	Remarks	1	Semaring 01	PM11C Block 5	Collection 2/3x week	2	Kerteh	Peringkat 01 - P15	Collection 2/3 x week	Complied
	Estate	Landfill site	Remarks												
1	Semaring 01	PM11C Block 5	Collection 2/3x week												
2	Kerteh	Peringkat 01 - P15	Collection 2/3 x week												
Criterion 4.5.4: Reduction of pollution and emission															
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The estates assessed their polluting activities incorporated in the Environmental Improvement Plan/Pollution Prevention Plan 2021. Details as provided in 4.5.1.3 and 4.5.1.4. Therein is given potential sources of pollutants, objective & targets and action to be taken.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Pollution</th> <th>Source</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Air</td> <td>Vehicle & machines exhaust</td> </tr> <tr> <td>2</td> <td>Water</td> <td>Cleaning water & run-off</td> </tr> <tr> <td>3</td> <td>Land</td> <td>SW, domestic waste & industrial waste</td> </tr> </tbody> </table>		Pollution	Source	1	Air	Vehicle & machines exhaust	2	Water	Cleaning water & run-off	3	Land	SW, domestic waste & industrial waste	Complied
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		The GHG final emissions summarized from the estate activities is shown as tCO ₂ e/tFFB.																			
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	<p>The estates assessed their polluting activities and is tabulated under the environmental management program. Therein is given potential sources of pollutants, objective & targets, and action to be taken. Sighted targeted area assessed among other as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Sources/objective & target</th> <th>Action steps</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Management of HCV river reserve where applicable</td> <td>To train/ retrain sprayers/ manuring gang to avoid any chemical-related works at the area</td> </tr> <tr> <td>2</td> <td>To monitor waste management plan for its suitability</td> <td>SW disposal monitoring. Delivery to PPTR and FGV Chador Estate.</td> </tr> <tr> <td>3</td> <td>To improve employees awareness on pollution prevention at housing complex including zero burning policy.</td> <td>Continuous reminders</td> </tr> <tr> <td>4</td> <td>To minimize spillage of oil/chemical onto the ground</td> <td>Continuous training and use of spill trays</td> </tr> <tr> <td>5</td> <td>To review aspect identification & impact evaluation to identify significant critical points for control.</td> <td>Review through EA/EIE</td> </tr> </tbody> </table>		Sources/objective & target	Action steps	1	Management of HCV river reserve where applicable	To train/ retrain sprayers/ manuring gang to avoid any chemical-related works at the area	2	To monitor waste management plan for its suitability	SW disposal monitoring. Delivery to PPTR and FGV Chador Estate.	3	To improve employees awareness on pollution prevention at housing complex including zero burning policy.	Continuous reminders	4	To minimize spillage of oil/chemical onto the ground	Continuous training and use of spill trays	5	To review aspect identification & impact evaluation to identify significant critical points for control.	Review through EA/EIE	Complied
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Criterion 4.5.5: Natural water resources																					
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources	This document is available titled 'Pelan Pengurusan Air Tahun 2023 reviewed annually. Therein among others illustrating identification of water	Complied																		

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Criterion / Indicator	Assessment Findings	Compliance																																																																								
<p>(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>- Major compliance -</p>	<p>source e.g. river, mode of measurement, risk event & cause of risk event, preventive & corrective measures, and PIC (person in charge).</p> <p>The management also records the rainfall data (<i>Rekod Hujan Bulanan Tahun 2022</i>) for better monitoring of the palm growth. Rainfall records for the estates in mm for 2022 as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Month</th> <th>SE 01</th> <th>Kerteh</th> <th>Month</th> <th>SE 01</th> <th>Kerteh</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Jan</td> <td>95</td> <td>131.8</td> <td>July</td> <td>165</td> <td>113.7</td> </tr> <tr> <td>2</td> <td>Feb</td> <td>655</td> <td>619.7</td> <td>Aug</td> <td>350</td> <td>89.6</td> </tr> <tr> <td>3</td> <td>Mac</td> <td>135</td> <td>68.3</td> <td>Sept</td> <td>140</td> <td>87.6</td> </tr> <tr> <td>4</td> <td>April</td> <td>183</td> <td>12.9</td> <td>Oct</td> <td>281</td> <td>572.2</td> </tr> <tr> <td>5</td> <td>May</td> <td>250</td> <td>137.7</td> <td>Nov</td> <td>288</td> <td>702.6</td> </tr> <tr> <td>6</td> <td>June</td> <td>270</td> <td>131.7</td> <td>Dec</td> <td>840</td> <td>1361.6</td> </tr> <tr> <td>7</td> <td>July</td> <td>165</td> <td>113.7</td> <td>Total</td> <td>3652</td> <td>4029.4</td> </tr> </tbody> </table> <p>Buffer zones were protected. Areas visited for the estates as tabled below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Estate</th> <th>Location</th> <th>Field no</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Semaring 01</td> <td>Sg Balu</td> <td>PM12 E</td> </tr> <tr> <td>2</td> <td>Semaring 01</td> <td>Sg Semaring</td> <td>PM11 C</td> </tr> <tr> <td>3</td> <td>Kerteh</td> <td>Nil</td> <td>-</td> </tr> </tbody> </table> <p>Variations and management plan were discussed during the quarterly ESH meeting under agenda "<i>Laporan Kejadian Pencemaran Alam Sekitar</i>". Prevention is made especially during the manuring activities. FGV reviewed the environmental performances during the monthly dated 15/12/2020 EPMC Environmental Performance Monitoring Committee among others discussing the following:</p> <ul style="list-style-type: none"> a) Effluent treatment and performance b) Scheduled wastes and others waste management c) Clean air monitoring 		Month	SE 01	Kerteh	Month	SE 01	Kerteh	1	Jan	95	131.8	July	165	113.7	2	Feb	655	619.7	Aug	350	89.6	3	Mac	135	68.3	Sept	140	87.6	4	April	183	12.9	Oct	281	572.2	5	May	250	137.7	Nov	288	702.6	6	June	270	131.7	Dec	840	1361.6	7	July	165	113.7	Total	3652	4029.4		Estate	Location	Field no	1	Semaring 01	Sg Balu	PM12 E	2	Semaring 01	Sg Semaring	PM11 C	3	Kerteh	Nil	-	
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		<p>d) Environmental Programs.</p> <p>FGVPM Semaring 01 Estate made a quarterly water sampling at 2 points in i.e. hulu & hilir Sg Balu. Results for the samples taken on 06/10/2021 and 08/11/2022 as shown below. No major issues were noted/recorded.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>River width</th> <th>Buffer zone</th> <th></th> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>>40 meters</td> <td>50 meters</td> <td>4</td> <td>5 - 10 meters</td> <td>10 meters</td> </tr> <tr> <td>2</td> <td>20 - 40 meters</td> <td>40 meters</td> <td>5</td> <td>< 5 meters</td> <td>5 meters</td> </tr> <tr> <td>3</td> <td>10 - 20 meters</td> <td>20 meters</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>The policy for the protection of watercourse is made known to all employees for an effective implementation when the need arises. Both the estates used water supply form SATU hence does not require an internal water treatment for the domestic consumption.</p> <p>Water sampling at Sg Balu is made annually with recent results shown below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th></th> <th></th> <th colspan="2">06/10/21</th> <th colspan="2">08/11/22</th> </tr> <tr> <th></th> <th>Parameter</th> <th>unit</th> <th>Inlet</th> <th>Outlet</th> <th>Inlet</th> <th>Outlet</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>PH</td> <td>-</td> <td>6.8</td> <td>5.5</td> <td>5.7</td> <td>5.9</td> </tr> <tr> <td>2</td> <td>BOD</td> <td>mg/L</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>3</td> <td>COD</td> <td>mg/L</td> <td>2</td> <td>5</td> <td>9</td> <td>4</td> </tr> <tr> <td>4</td> <td>S Solids</td> <td>mg/L</td> <td>8</td> <td>5</td> <td>13</td> <td>11</td> </tr> <tr> <td>5</td> <td>A Nitrogen</td> <td>mg/L</td> <td>0.1</td> <td>0.4</td> <td>0.1</td> <td>0.1</td> </tr> <tr> <td>8</td> <td>D Oxygen</td> <td>mg/L</td> <td>9.63</td> <td>9.40</td> <td>10.2</td> <td>12.06</td> </tr> </tbody> </table> <p>The report compiled by FGV Agri Services Sdn Bhd at PPTR concludes that the estates operational activities do not pollute river and it does not have any significance difference in the water quality status. (WQI-93 and WQI-94).</p>						River width	Buffer zone		River width	Buffer zone	1	>40 meters	50 meters	4	5 - 10 meters	10 meters	2	20 - 40 meters	40 meters	5	< 5 meters	5 meters	3	10 - 20 meters	20 meters	-	-	-				06/10/21		08/11/22			Parameter	unit	Inlet	Outlet	Inlet	Outlet	1	PH	-	6.8	5.5	5.7	5.9	2	BOD	mg/L	1	1	1	1	3	COD	mg/L	2	5	9	4	4	S Solids	mg/L	8	5	13	11	5	A Nitrogen	mg/L	0.1	0.4	0.1	0.1	8	D Oxygen	mg/L	9.63	9.40	10.2	12.06	
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Criterion / Indicator		Assessment Findings	Compliance
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	This is in compliance by the estate. This requirement is also audited internally by the SCCD personnel. During the field visit no construction of such was observed. This was further supported through facts obtained from interviews among the employees.	Complied
4.5.5.3	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). - Minor compliance -	During the site visit practices of water harvesting are noted mainly in the estates for washing and machine cleaning. Roadside pits where applicable are constructed at every 3 palm rows, to divert in event of water overflowing and also to benefit the nearest palm at the pit end to obtain additional moisture.	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 (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. - Major compliance -	The HCV assessment was conducted with details as follows: "Laporan Penilaian Konservasi Tinggi (HCV) & Biodiversiti; Ladang Semaring 01 and Ladang Kerteh". This report was updated and reviewed by En Amir Hamzah Dollah@Abdullah from the Due Diligence Unit, Plantations Sustainability Department dated 28/12/2018 and 03/08/2018 respectively In summary there was no HCV present in the CU except for buffer zone for Sungai Semaring and Sg Balu internal drainage flowing at FGVPM Semaring Estate. The reports detailed the findings of a rapid appraisal of the biodiversity in the estates and addresses the RSPO P&C relevant to biodiversity conservation and HCV. Therein being provided details relating to the following: a) General biodiversity issues b) Watercourses and drainage c) Habitats natural and man-made	Complied

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		d) Wildlife e) Ponds and reservoirs f) Wetlands/ watercourses g) Legal aspects h) Immediate and long-term effect.																																																																		
4.5.6.2	If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include: a) Ensuring that any legal requirements relating to the protection of the species are met. b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. - Major compliance -	There is no RTE found the entire FGVAS Kerteh and FGVPM Semaring 01 Estates. Complex as recorded, with latest the following observation /report "Laporan Penilaian Konservasi Tinggi (HCV) & Biodiversiti; Ladang Semaring 01 and Ladang Kerteh" <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Species</th> <th>Scientific</th> <th>IUCN Status</th> <th>Presence</th> </tr> </thead> <tbody> <tr><td>1</td><td>Wild boar</td><td>Sus scrofa</td><td>LC</td><td>Yes</td></tr> <tr><td>2</td><td>Monkey</td><td>Macaca Fascicularis</td><td>Yes</td><td>Yes</td></tr> <tr><td>3</td><td>Striped rattlesnake</td><td>Ophiophagus Hannah</td><td>VU</td><td>No</td></tr> <tr><td>4</td><td>Cobra snake</td><td>Naja Kaouthia</td><td>LC</td><td>Yes</td></tr> <tr><td>5</td><td>Lizard</td><td>Varanus</td><td>LC</td><td>Yes</td></tr> <tr><td>6</td><td>Wild bird</td><td>Tyto alba javanica</td><td>LC</td><td>yes</td></tr> <tr><td>7</td><td>Tiong</td><td>Gracula religiosa</td><td>LC</td><td>yes</td></tr> <tr><td>8</td><td>Murai cacing</td><td>Copsychus malabaricus</td><td>LC</td><td>yes</td></tr> <tr><td>9</td><td>Wak-wak</td><td>Amaurornis phoenicurus</td><td>LC</td><td>Yes</td></tr> <tr><td>10</td><td>Ayam hutan</td><td>Gallus gallus</td><td>LC</td><td>Yes</td></tr> <tr><td>11</td><td>Black wing kite</td><td>Alanus caeruleus</td><td>LC</td><td>Yes</td></tr> <tr><td>12</td><td>Raja udang</td><td>Alcedo atthis</td><td>LC</td><td>No</td></tr> </tbody> </table> Records of RTE sighting was checked and verified for the estates. Summary of record of animal sightings spotting wild boars, monkeys and squirrels among others. The management conducted a regular patrol of HCV areas, access and boundary of estates. Signage, such as "No Hunting",		Species	Scientific	IUCN Status	Presence	1	Wild boar	Sus scrofa	LC	Yes	2	Monkey	Macaca Fascicularis	Yes	Yes	3	Striped rattlesnake	Ophiophagus Hannah	VU	No	4	Cobra snake	Naja Kaouthia	LC	Yes	5	Lizard	Varanus	LC	Yes	6	Wild bird	Tyto alba javanica	LC	yes	7	Tiong	Gracula religiosa	LC	yes	8	Murai cacing	Copsychus malabaricus	LC	yes	9	Wak-wak	Amaurornis phoenicurus	LC	Yes	10	Ayam hutan	Gallus gallus	LC	Yes	11	Black wing kite	Alanus caeruleus	LC	Yes	12	Raja udang	Alcedo atthis	LC	No	Complied
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		"No Fishing", "Buffer Zone" were available. No use of chemicals observed been applied in the buffer zone as prohibited.	
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required. - Major compliance -	The estates observed and implemented the established action plans, including monitoring (patrolling) of the conservation areas by Auxiliary Police. Record of monitoring (patrolling) observed maintained. Observed no monitoring outcomes that requires changed of practices or action plan. Monitoring of these areas are made through the daily field supervision by the field staff and executives. There were also visits by the PA/RC and also personnel from the SCCD Unit. Sighting of RTE are made and recorded during the AP rounds in the estates if any.	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. - Major compliance -	FGV practices of "Zero open burning" is enforced and elaborated in the Group Sustainability Policy dated May 2019. Also included in the following guidelines. i. Manual Ladang Sawit Lestari - Prosedure Kerja Selamat ii. Manual Sustainability - Prosedur Kerja Selamat - Prosedur membancuh Racun di PREMIX - Pengendalian Bahan Kimia - Penyediaan tanah tanam semula The estate adhered to the policy of "Zero open burning" for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates.	Complied

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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 -	N/A. Details in 4.5.7.1 above.	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 -	N/A. Details in 4.5.7.1 above.	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 organization 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 SOP for the estates is available in a Group basis. Manual Ladang Sawit LESTARI 111 (No Doc: MLSL (ED 3) – Sec 2 (14.0) Tarikh Pindaan 1/9/2017 served as reference for the Estates. The Manual divided into 5 sections: a. Seksyen 1 – Pengurusan Tapak Semain Sawit b. Seksyen 2 – Pembangunan Tanam Semula c. Seksyen 3 – Sawit Pra Matang d. Seksyen 4 – Sawit Matang e. Seksyen 5 – Pembajaan Sawit	Complied

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Criterion / Indicator		Assessment Findings	Compliance								
		Apart from Manual Lestari, Estate do adhere to Sustainable Palm Oil Manual Procedure and Occupational Safety, Health and Environmental Manual.									
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	FGV Holdings Berhad has established "Prosedur Pengenalpastian Kawasan Cerun dan Rizab Sungai, No Dokumen: ML-1A/L2-Pr8(0) No Pindaan: 0 Tarikh Efektif: 1/6/2016. Stated under 3.1.2 memastikan Kawasan Rezab Sungai / Zon Penimbal dan Kawasan curam (melebihi 25°) tidak diganggu semasa program pembangunan dan penanaman baru". During site visit observed there is no terracing above 25 Degrees.	Complied								
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	<p><u>FGVAS Kerteh Estate</u></p> <p>Field references were identified by year of planting. Signboard were erected and palms at the entrance of each field were painted with the field identification. Sighted the implementation at FGVAS Kerteh Estate as follows:</p> <p>a. Block name: b. Title Hectare: c. Planted Hectare: d. Year of Planting:</p> <p>Where planting is on slope, construction of terraces was in accordance to guidance in the Agricultural Manual. The guidance for planting on slope is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Slope (°)</th> <th>Terrace width (m)</th> </tr> </thead> <tbody> <tr> <td><2°</td> <td>Straight Planting</td> </tr> <tr> <td>2 – 5°</td> <td>Straight planting. Water Conservation terraces at 32m interval</td> </tr> <tr> <td>6 – 15°</td> <td>5.00</td> </tr> </tbody> </table>	Slope (°)	Terrace width (m)	<2°	Straight Planting	2 – 5°	Straight planting. Water Conservation terraces at 32m interval	6 – 15°	5.00	Complied
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Criterion / Indicator		Assessment Findings	Compliance												
		<table border="1"> <tr> <td>16 – 25°</td> <td>3.60</td> </tr> </table> <p>Areas with greater than 25-degree slope are not to be planted but be left for biodiversity purposes. Among the soil conservation measures implemented to prevent soil erosion and siltation were construction of terrace, planting of cover crop and construction of roadside drains. Planting terraces had been constructed where slope >10°. Field inspection showed groundcover with soft grass and soft weeds at all estates.</p> <p><u>FGVPM Semaring 01 Estate</u></p> <p>Field references were identified by year of planting. Signboard were erected and palms at the entrance of each field were painted with the field identification. Sighted the implementation at FGVPM Semaring 01 Estate as follows:</p> <ol style="list-style-type: none"> Block name: Block 5 Title Hectare: Planted Hectare: Year of Planting: <p>Where planting is on slope, construction of terraces was in accordance to guidance in the Agricultural Manual. The guidance for planting on slope is as follows:</p> <table border="1"> <thead> <tr> <th>Slope (°)</th> <th>Terrace width (m)</th> </tr> </thead> <tbody> <tr> <td><2°</td> <td>Straight Planting</td> </tr> <tr> <td>2 – 5°</td> <td>Straight planting. Water Conservation terraces at 32m interval</td> </tr> <tr> <td>6 – 15°</td> <td>5.00</td> </tr> <tr> <td>16 – 25°</td> <td>3.60</td> </tr> </tbody> </table>	16 – 25°	3.60	Slope (°)	Terrace width (m)	<2°	Straight Planting	2 – 5°	Straight planting. Water Conservation terraces at 32m interval	6 – 15°	5.00	16 – 25°	3.60	
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Criterion 4.6.2: Economic and 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 -	Verified business management plan in the plan of a Budget for 2022 till 2026. (Detailed Summary of Organisation Revenue and Expenditure – FGVASSB Stesen Kerteh. The budget details the Operational expenses, Labour Expenses, Management Expenses and depreciation cost.	Complied
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	There was no replanting at FGVP Semaring 01 Estate and FGVAS Kerteh Estate for the next 5 years (2022-2026).	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	Verified business management plan in the plan of a Budget for 2022 till 2026. (Detailed Summary of Organisation Revenue and Expenditure – FGVASSB Stesen Kerteh. The budget details the Operational expenses, Labour Expenses, Management Expenses, and depreciation cost. Details of crop material, crop projection, yield, production cost is available. The estates had a format and guideline to calculate the returns on the field operations i.e., Income=sale of FFB (with award of CPO/CPK from the mill) less the expenditure (fixed and direct cost). This format is verified.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>The estates performance is recorded in the monthly progress report.</p> <p>a) Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein.</p> <p>b) The management also provides variance report on the performance and reviewed on a monthly basis.</p> <p>c) The supervisory personnel maintained a daily cost for the field operations.</p> <p>The meeting involving the Managers sits monthly with the Regional Controller and Head for the performance review.</p>	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Guided by "Polisi Perolehan Kumpulan (PPK)" (Group Procurement Policy), March 2018 of Felda Global Ventures Holdings Berhad which covers various subjects such as selection method of vendors, procurement methods, tender policy, contract award policy, quotation policy, etc.</p>	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>The contract agreements have the details about the pricing and terms & conditions. Based on contract agreement, the payment will be made within 30 days after the date of invoice by the finance department at HQ level. There was no grievance about timing of payment. Based on verification of payment vouchers and interview with the contractors, payments were made in timely manner.</p>	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required</p>	<p>The contractors have acknowledged on a letter regarding the compliance of MSPO requirements and allowed the auditors to inspect relevant</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	documentation and information. - Major compliance -	documents, operations and interview the workers whenever necessary. They were also briefed by the management regarding the MSPO requirements.	
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Signed agreed contracts were available through Surat Perintah Kerja (SPK), e.g.: #820105001-2021/820213501-12-186, dated 31/12/2021 – Raja Ismail B. Raja Daud, type of work: harvesting, loos fruits collection, and pruning. The terms and conditions were spelt out in the SPK.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	This requirement has been specified during a briefing by the management to the contractors/suppliers during stakeholder’s consultation on 09/06/2022. Apart from that, there was also a memo distributed to all the contractors on informing them to expect verification assessments from any third-party auditors 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 -	Prior to releasing payments to the contractor, the estates’ management will do the performance evaluation which is reported through Progress of Work done by the contractors. Work Completion certificate will be generated thereafter and acknowledged by the Manager to indicate the approval of works done by contractor and payment will be made according to the certificate.	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.	There is no development of new planting at the sampled estates.	Not applicable

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia’s National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -	There is no development of new planting at the sampled estates.	Not applicable
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled estates.	Not applicable

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Criterion / Indicator		Assessment Findings	Compliance
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	There is no development of new planting at the sampled 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 how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -	There is no development of new planting at the sampled estates.	Not applicable
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	There is no development of new planting at the sampled estates.	Not applicable
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	There is no development of new planting at the sampled estates.	Not applicable
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	There is no development of new planting at the sampled estates.	Not applicable

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Criterion / Indicator		Assessment Findings	Compliance
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. - Major compliance -	There is no development of new planting at the sampled estates.	Not applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled estates.	Not applicable

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Criterion / Indicator		Assessment Findings	Compliance
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	There is no development of new planting at the sampled estates.	Not applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled estates.	Not applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There is no development of new planting at the sampled 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 -	There is no development of new planting at the sampled estates.	Not applicable

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

Criterion / Indicator	Assessment Findings	Compliance	
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	<p>Policy for the implementation of MSPO shall be established.</p> <p>- Major compliance -</p>	<p>FGV Holdings Berhad has established and maintained its Group Sustainability Policy (Policy No.: FGV/SED/POL/002, FGV/SSD/008-REV 3.0) Rev. 4.0) which approved by Group Chief Officer on 26/01/2022. 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.</p> <p>The implementation of MSPO was also documented in MSPO Supply Chain Certification (Kilang Sawit).</p> <p>On 31/03/2022 at 0800 hours at the mill compound area, there was a briefing on the new Policy Statement on Sustainability Certification for FGV Holdings Berhad. The briefing was attended by all workers and staffs. Verified the attendance list.</p>	Complied
4.1.1.2	<p>The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.</p> <p>- Major compliance -</p>	<p>Commitment to continually improve the quality of their products and services was addressed in Clause 5.0 of the policy above 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.</p>	Complied
Criterion 4.1.2 – Internal Audit			

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Criterion / Indicator		Assessment Findings	Compliance
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 -	The internal audit for MSPO was planned to be conducted at least once a year. MSPO Internal audit for FGVVISB Kerteh POM was conducted on 20-22/12/2022 with 15 nonconformances raised. Internal audit was conducted by SSCD Department personnel from HQ.	Complied
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	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 sustainability certifications. There was no nonconformity raised for FGVVISB Kerteh POM.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The results of internal audit were reviewed and discussed during the management review meeting conducted on 30/12/2022.	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 Management Review was conducted twice on 30/12/2022, chaired by the Mill Manager (En. Samsul Adly bin Samsudin) and attended by 5 personnel. Review input discussed such as 1. Review of Internal and External Audit Results - 15 NCR from Internal Audit and 1 Major NCR from External Audit. 2. Customer satisfaction, - All complaint has been taken action. 3. Production performance. 4. Environment issues. 5. Social Issues. 6. Improvement.	Complied

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Criterion / Indicator		Assessment Findings	Compliance												
		7. Legal compliance. 8. Policies. 9. System documentation. 10. Review on outstanding issues raised from previous MRM.													
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 -	The mill has emphasized on Continual Improvement Plan such as: Year: 2022 <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Target</th> <th>Action Plan</th> <th>Completion Date</th> </tr> </thead> <tbody> <tr> <td>BOD Release <50ppm</td> <td> 1. Scheduled Cleaning Pond 2. To monitor effluent operation in systematic ways. 3. To repair discharge valve to dry bed </td> <td>December 2022</td> </tr> <tr> <td>To reduce diesel usage <0.40 L/BTS</td> <td> 1. To increase implementation status PV 40 2. To reduce diesel usage in total. </td> <td>December 2022</td> </tr> <tr> <td>Increase SRR from 1.21% (2021) to 2.00% (2022)</td> <td> 1. To ensure rated Throughput receive >95% for boiler material. 2. Reduce losses on ensuring nutcracker and </td> <td>December 2022</td> </tr> </tbody> </table>	Target	Action Plan	Completion Date	BOD Release <50ppm	1. Scheduled Cleaning Pond 2. To monitor effluent operation in systematic ways. 3. To repair discharge valve to dry bed	December 2022	To reduce diesel usage <0.40 L/BTS	1. To increase implementation status PV 40 2. To reduce diesel usage in total.	December 2022	Increase SRR from 1.21% (2021) to 2.00% (2022)	1. To ensure rated Throughput receive >95% for boiler material. 2. Reduce losses on ensuring nutcracker and	December 2022	Complied
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Criterion / Indicator		Assessment Findings			Compliance																		
			hydro cyclone efficiency on controlling dirt and broke down.																				
		Increase KEER 9% from 5.09% to 5.30%	1. To control kernel losses follow by parameter set by protocol. 2. To check silo leakage.	December 2022																			
		Zero Accident	1. Safety briefing every morning. 2. Station cleaning every week. 3. Update safety checklist every 3 month.	December 2022																			
		Good relationship between staff, executive and workers.	1. To organized "Majlis Bacaan Yassin dan Tahlil" 2. Fishing program. 3. Bubur Asura program.	December 2022																			
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 -	<table border="1"> <thead> <tr> <th>No</th> <th>Action Plan</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Reduced diesel usage <0.40 liter/BTS.</td> <td>Diesel usage year 2022 – 0.32L/BTS</td> </tr> <tr> <td>2</td> <td>BOD <50 ppm</td> <td>BOD year 2022 - 67ppm</td> </tr> <tr> <td>3</td> <td>SRR from 1.21% to 2.0%</td> <td>SRR year 2022 – 1.66%</td> </tr> <tr> <td>4</td> <td>KER from 5.09% to 5.30%</td> <td>KER todate year 2022 – 5.15%</td> </tr> <tr> <td>5</td> <td>Zero Accident</td> <td>Achieved</td> </tr> </tbody> </table>			No	Action Plan	Result	1	Reduced diesel usage <0.40 liter/BTS.	Diesel usage year 2022 – 0.32L/BTS	2	BOD <50 ppm	BOD year 2022 - 67ppm	3	SRR from 1.21% to 2.0%	SRR year 2022 – 1.66%	4	KER from 5.09% to 5.30%	KER todate year 2022 – 5.15%	5	Zero Accident	Achieved	Complied
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Criterion / Indicator	Assessment Findings	Compliance	
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>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.</p> <p>- Major compliance -</p>	<p>Procedure Communication, Involvement and Consultation FGV/ML-1A/L2-Pr12 issue 1 version 0 dated 1/6/2016 and has been communicated in Malay language (national language) through letters to external stakeholders. External stakeholders’ consultation was held with slides to explain on MSPO requirements on 09/06/2022.</p> <p>Stakeholder meeting was conducted in every 5 years as per SIA SOP FGV/ML-1A/L2-Pr21 issue 1, rev 2 dated Mach 2019. Policies are also displayed in POM and office mainly for internal stakeholders. The last stakeholders meeting was conducted on 10/7/2018 for a combination of three FGV and Felda complexes i.e., Kerteh, Jerangau Baru and Jerangau Barat. Among the stakeholders attended were government agencies, and surrounding communities.</p>	<p>Complied</p>
4.2.1.2	<p>The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>The mill holds copies of each of the management documents that are required to be publicly available. Apart from that, all the information such as annual report, sustainability news and policies were found available in the company’s website: www.fgvholdings.com</p> <p>Records of inspections and visits by the authorities were maintained such as DOSH and DOE visits.</p>	<p>Complied</p>
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>FGV has developed “<i>Komunikasi, Penglibatan dan Rundingan</i>” procedure (Doc. No. FGV/ML-1A/L2-Pr12 issue 1, rev. 0 dated 1/6/2016) where the procedure has stated the information that</p>	<p>Complied</p>

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		provided to the stakeholders such as policies, social impact assessment and environment aspects. The estates have conducted a stakeholder meeting on 09/06/2022. During the meeting, the management has explained the requirements of sustainable palm oil certification to all the stakeholders. Apart from that, briefing of policies and management procedures of sustainability was also given.	
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 -	Based on the above procedure, the operating unit's manager is the person to be responsible to handle the issues related to Indicator 1.	Complied
4.2.2.3	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - Major compliance -	The stakeholder lists were last updated in January 2023 where internal and external stakeholders have been included in the list. Stakeholder meeting was last conducted on 09/06/2022 with the participation of internal and external stakeholders such as FFB suppliers, government authorities, contractors, and local communities. Requests or enquiries raised during the meeting was responded by the management and recorded in the 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 -	Documented procedure has been established for traceability (supply chain) and has been documented in the document number FGV/GSD-SCCD/SOP/007 title "Prosedur RSPO Supply Chain Certification (Kilang Sawit)".	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Various means were available on how to monitor the traceability where among others the updating of productivity report, dispatch of CPO and PK, through month end account closing and internal audit. Based on verification of records, it was found that the procedure of traceability was well implemented.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.2.3.3	<p>The management shall identified and assign suitable employees to implement and maintain traceability system.</p> <p>- Minor compliance -</p>	<p>Referring letter Bil: (55) 4027/KT/810/1-1 Pt 9 dated 20/07/2022 to Nor Fatin Nabilah binti Mukhtar Hadi, addressed under management functions and job description of the traceability procedure. It is stated that the overall responsibility is assigned to the Mill Manager. The responsible is to implement and monitor the FGVPI SB Kerteh POM Supply Chain programme. Based on interview with the person in-charged, she was able to demonstrate awareness of the organization's procedures for the implementation of this standard.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance																												
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	<p>Sample of storage, sales, delivery or transportation of crude palm oil and palm kernel as below:</p> <p>CPO</p> <table border="1"> <tr><td>Date</td><td>30/12/2022</td></tr> <tr><td>Lorry No</td><td>WPH 1029</td></tr> <tr><td>DO</td><td>D04060022123208</td></tr> <tr><td>Trailer No</td><td>TWC26</td></tr> <tr><td>Sales Order</td><td>SI/9627/9GBH/1222/01</td></tr> <tr><td>Nett weight</td><td>41.27mt</td></tr> <tr><td>Pass No</td><td>03014438</td></tr> </table> <p>KER</p> <table border="1"> <tr><td>Date</td><td>30/11/2022</td></tr> <tr><td>Lorry No</td><td>WRP 6656</td></tr> <tr><td>DO</td><td>D04060322111973</td></tr> <tr><td>Trailer No</td><td>TWC1459</td></tr> <tr><td>Sales Order</td><td>FT010553</td></tr> <tr><td>Nett weight</td><td>41.28mt</td></tr> <tr><td>Pass No</td><td>04003538</td></tr> </table>	Date	30/12/2022	Lorry No	WPH 1029	DO	D04060022123208	Trailer No	TWC26	Sales Order	SI/9627/9GBH/1222/01	Nett weight	41.27mt	Pass No	03014438	Date	30/11/2022	Lorry No	WRP 6656	DO	D04060322111973	Trailer No	TWC1459	Sales Order	FT010553	Nett weight	41.28mt	Pass No	04003538	Complied
Date	30/12/2022																														
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Trailer No	TWC1459																														
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Pass No	04003538																														
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 Kerteh POM continued to comply with all applicable legal requirements. Compliance to each applicable law and regulation are monitored by the operating units. The certification units obtained and	Complied																												

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	<p>renewed licenses and permits as required by the law. Among others, the licenses/permit verified were:</p> <ol style="list-style-type: none"> 1) MPOB License; License Number: 500178404000; License Validity Period: 01/04/2022 – 31/03/2023; Approved Yearly Processing Capacity: 259,200 Mt. 2) MPOB License menjual mengalih CPO. PK No license 618398003000 for period from 01/07/2022 – 30/06/2023 3) MPOB License menjual mengalih FFB No license 61845115000 from period 01/07/2022 to 30/06/2023. 4) Jabatan Alam Sekitar, License no. 004053, for period 01/07/2022 until 30/06/2023. 5) Permit Barangan Kawalan Berjadual, No Siri P: T 000159, reference no. TR/DGN/12/08/SKD for diesel 20,000 liter. 6) SSM for Felda Palm Industries Sdn Bhd (359584-V) dated 11/12/2018. 7) Lesen Bagi Pemasangan Sendirian, No Siri :55179, License no: 2022/01429 for capacity 3310 kilowatt for period 14/06/2022 until 13/06/2023. 8) Laporan Pemeriksaan Alat Timbang dan Sukat di bawah Peraturan-peraturan Timbang dan Sukat 1981 date 08/10/21, Certification no: D 072364. Sticker number TKE-000782 valid until 09/11/23. 9) Energy Commission – Private Installation License; License Number: 2021/01421; Serial Number: 50334; License Validity Period: 14/06/2022 – 13/06/2023. 10) Kebenaran Potongan Upah di bawah Seksyen 24 Akta Kerja 1955. Rujukan: (6) BHG PU/9/129. Date 10/04/2012. 	

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Criterion / Indicator		Assessment Findings	Compliance
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Identification and documentation of applicable legal requirements is guided by Manual Procedure, Legal and Other Requirements (FPI/L2/QOSHE 2.0, 29/11/2016).</p> <p>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:</p> <p>1. FGVPI SB Kerteh POM: 07/12/2022</p> <p>The register has info about Legal and Other Requirements, Enforcement Body, Main requirement, Enforcement standard, Penalty (RM), Responsible Departments and Compliance status.</p> <p>Tracking system to identify changes in the relevant regulations were available through the head office, website information and is communicated from the Group Head Office. Sighted the latest review to include new updates for Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019, Minimum Wages Order 2020, Auxiliary Police Regulations 1970 & Akta Pencegahan & Pengawalan Penyakit Berjangkit 1988 (Movement Control Order 2020).</p> <p>On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operation. Tracking system on any changes in the law had been well implemented.</p>	Complied
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>The mechanism of tracking changes and update are guided by Manual Procedure, Evaluation of Compliance to Legal and Other Requirements [FPI/L2/QOSHE-17.0].</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. - Minor compliance -	FGV Holdings Berhad have centralized system for tracking any changes in the law as per "Panduan: Sistem Pengesanan Perubahan Undang-undang" dated 23/6.2017, Version:04. Any changes in the relevant regulations are through Plantation and Sustainability Department and the Manager, who are sole responsible.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	There was no evidence that the oil palm milling activities is diminishing the land use rights of other users	Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - Major compliance -	The mill can demonstrate its right to use the land (19.78 Ha) through an agreement entitled " <i>Surat Perjanjian Antara Lembaga Kemajuan Tanah Persekutuan (FELDA) dan Felda Palm Industries Sdn Bhd Rancangan: Felda Kerteh 2'</i> ", dated 25/11/1996. The license granted to the Corporation is for a period of 30 years commencing on the 1/1/1994 and shall expire on 31/12/2023.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Fencing parameters established around the mill building complex to separate the management boundary of Kerteh 02 Estate and the mill. The housing and other recreational facilities are located within the same vicinity for ease of employees' management.	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 -	FGV has developed procedure on " <i>Pengenalpastian dan penyelesaian pertikaian tanah</i> " with Doc. No. ML-1A/L1-Pr10(0) dated 1/6/2016. The objective of the procedure is to handle and monitor issue raised from local communities on customary or user rights. Procedure on the compensation to the people entitled and monitoring of boundary stone was detailing in the procedure. Compensation will be paid according to basic cost/acre and market land price. There is no land dispute at	Complied

Criterion / Indicator		Assessment Findings	Compliance
		the sampled estates at the point of audit. The surrounding land is owned by FELDA, settlers, forest reserve, etc. Interviewed with the stakeholders confirmed that no encroachment of land by the company.	
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			
Criterion 4.4.1: Social Impact Assessment (SIA)			

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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>Social Impact Assessment was carried out by Plantations Sustainability Department (PSD), Sustainability & Environment Department for FGV PISB Kerteh POM on 22/5/2018. The assessment has involved the participation of relevant stakeholders such as local authorities, workers' representatives, contractors, settlers, and local communities.</p> <p>A reassessment of social impact was conducted in Aug 2022 by the Sustainability Compliance & Certification Dept. Nonetheless, since the reassessment report was just received in Jan 2023, the mill was still in the midst of finalising their action plans.</p>	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 has developed procedure of "<i>Menangani Aduan dan Rungutan</i>" (Doc. No.: FGV/GSD-SCCD/SOP/010, ver. 3, dated 01/06/2022). The objective of the procedure is to provide a channel and official mechanism for the internal stakeholders and external stakeholders to lodge any complains to the management. Mechanism to handle complaints was clearly described in the procedure. The time frame for investigation of the issue should be done within 14 working days.</p>	Complied
4.4.2.2	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p>- Major compliance -</p>	<p>FGVPISB Kerteh POM is having a logbook and a file of forms to record complaints or requests from the stakeholders. Most of the complaints were about defects of housing facilities.</p> <p>Based on the records of complaints lodged, the actions taken by the management were appropriate and 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 complaints.</p> <p>- Minor compliance -</p>	<p>The complaint record book was available in the mill office, where the stakeholders can easily access in order to lodge their complaint. There was no complaint lodged from any external stakeholders since the last assessment.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 -	Interview with internal and external stakeholder during stakeholder consultation found that they were aware of the complaint procedure and were briefed by the management during stakeholder meeting.	Complied
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	The records of complaint for the past 24 months (since January 2020) were available in the complaint records book.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance -	Among the notable contributions to local development given by the estates and mill are as follows: <ul style="list-style-type: none"> - Providing manpower for <i>gotong royong</i> programme at nearby communities - Donations to flood victims which consists of staff, and nearby villages 	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. - Major compliance -	FGV Holdings Berhad has established OSH Policy signed by Group Chief Executive Officer dated 05/11/2021. Refer doc no FGV/GHR/HSEQ/POL/003 Rev. 05. FGV Holdings Berhad has documented safety and health policy in the Group Sustainability Policy under section 5.2.4: Health and Safety. The Group Sustainability Policy was signed by the CEO on 05/11/2021. Refer doc. no FGV/SED/POL/003 rev. 4(BI). In the policy stated the commitment:	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> To provide a healthy and safe working environment its operations for all its workers and employees and Shall allocate appropriate resource to minimize and eliminate Health and Safety risks. <p>On 31/03/2022, 0800 hours, the management has done briefing to all the workers, staffs and executives regarding on the new Policy for Safety and Health for FGV Holdings Berhad.</p> <p>Verified the attendance list on the training program.</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 and storage in accordance to Occupational 	<ul style="list-style-type: none"> a) FGV Holdings Berhad has established OSH Policy signed by Mohd Nazrul Izam Mansor, Group Chief Executive Officer dated 05/11/2021. Refer doc no FGV/GHR/HSEQ/POL/003 Rev. 05. <p>On 31/03/2022, 0800 hours, the management has done briefing to all the workers, staffs and executives regarding on the new Policy for Safety and Health for FGV Holdings Berhad.</p> <p>Verified the attendance list on the training program</p> <ul style="list-style-type: none"> b) The mill risk of all operations be assessed and documented in hazard identification, risk assessment and risk control, HIRARC. The assessment includes all 50 processing activities and support activities base on workstation. The activities covered was available in the mill to identify assess and provide controls for all the risks associated to the operations in the mill. The latest update were on 29/12/2022. Sighted the HIRARC for Felsco Station, Oil Room, Crane & Threshing and Boiler. <p>Chemical Health Risk Assessment was conducted in the mill by IFZ Medical Supplies (CHRA REG NO: JKPP HQ/16/ASS/00/18) on 02/08/2018 – 01/09/2018. The CHRA Report (JKKPHQ/16/ASS/00/18-2018(007)) was available for verification</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>Safety Health (Classification Packaging and Labelling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>covering Boiler, Driver (Shovel & Bobcat), Electrical Technician, Laboratory, Mechanical Technician and Storekeeper.</p> <p>The annual audiometry report was on 03/06/2022 conducted by IFZ OSHMED Supplies Sdn Bhd. From the result there are 18 for standard Threshold Shift (STS) 11 with normal hearing and 23 hearing loss.</p> <p>The retest for STS already conducted on 23/09/2022 at IFZ OSHMED Supplies Sdn Bhd as per report (JKKP/2022/11-02/00153) and result 12 with Permanent Standard Threshold Shift and 1 hearing impairment.</p> <p>From the both report there are 18 JKKP 7 dated 01/10/2022.</p> <p>Medical surveillance for FGVPIB Kerteh POM conducted on 21/11/2022. This surveillance conducted by MZ Enviro Testing & Consulting with total 19 workers involve during this annual exercise involving exposures to chemical listed in USECHH 2000 scheduled 6 namely n-Hexane. The result still pending with the consultant. Previously conducted on 10/12/2022 for 5 workers and all fit to work with chemical.</p> <p>Noise Risk Assessment Report (NRA) was conducted in accordance with the requirements under OSHA (Noise Exposure) Regulation 2019 for FGVPIB Kerteh POM by Allion HSE Sdn Bhd (Assessor No: HQ/08/PEB/00/84) on 28/04/2020. The NRA Report (Report No: AH/20/08/17) was available for verification.</p> <p>Annual Audiometry Examination was conducted for workers exposed to excessive noise in the mill. The examination was conducted on 27/11/2021 for a total 58 workers. The results indicated that 8 workers had normal audiograms, 22 with hearing impairment, 7 with standard threshold shift and 21 with hearing</p>	

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	<p>loss. Retest Audiometry for STS cases and Physical examination for hearing impairment cases were done on 05/07/2021 – 30/08/2021. The results indicated 14 workers were still diagnosed with STS. The management have reported the cases to DOSH and the JKPP 7 forms were available for verification. Audiometry for the year 2021 was conducted on 27/11/2021, awaiting the results.</p> <p>The Initial Noise Risk Assessment (JKPP no: PHK 1087) dated 14/05/2020 conducted by MZ Enviro Testing & Consulting. The report no MZ/NRA/KRT3/0520. As per assessment the operator at boiler house, oil room, steriliser, press and kernel need to go audiometric testing.</p> <p>CHRA have been conducted by Yellow Tulips Resources dated 26/09/2022 and still pending the report at consultant. The previously CHRA was on 24/07/2020 by Ihsan Sharif Resources as per report GHQ/08/ASS/00/85-2020-0003.</p> <p>c) Chemical handling training and scheduled waste management conducted by safety and health officer dated 08/12/2022.</p> <p>Policy training conducted by management to stakeholder dated 10/11/2022.</p> <p>Firefighting and fire drill conducted by Bomba dated 27/06/2022.</p> <p>No open burning training conducted by management dated 20/01/2022.</p> <p>Sexual harassment awareness training dated 24/11/2022.</p> <p>Complaint and grievance training dated 31/03/2022.</p> <p>HCV and RTE management training dated 26/05/2022.</p>	

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	<p>d) PPE Record was available for verification. Issuance of PPE to employees is recorded in a standard form which has the information about name of employee, type of PPE, workstation, date of issuance and acknowledgment of receipt.</p> <p>e) SOP for handling chemical management was addressed in a few procedures. The procedures outline the handling of chemicals in accordance to the regulation. From visit to site lubricants store and chemical store, the list of the items as below:</p> <p>Chemical</p> <ol style="list-style-type: none"> 1. Aquachem 33 - SDS expiry 20/10/2020 2. Aquachem 83 - SDS expiry 20/10/2020 3. Aquachem 874 - SDS expiry 20/10/2020 3. Aquachem 32 - SDS expiry 20/10/2020 3. Aquachem 21 - SDS expiry 20/10/2020 <p>Lubricants</p> <ol style="list-style-type: none"> 1. Pertronas Urania 15w-40 - SDS expiry 28/10/2020 1. Pertronas Hydraulic 100 - SDS expiry 02/07/2018 1. Pertronas Gear MER 320 - SDS expiry 21/12/2018 1. Pertronas Jenteram - SDS expiry 13/05/2020 <p>f) The Mill Manager, Shamsul Adly bin Samsudin was appointed as the Chairman for Safety and Health Committee at the mill as stated in the appointment letter dated 04/01/2022 undersigned by the Regional Controller – Region 1. Reference letter: (30) 810/Pej Zon/Wil 1- Operasi.</p>	

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	<p>g) Safety & Health meetings were conducted at an interval of 3 months at the mill to address all the OSH related issues. Sighted the meeting minutes dated 12/12/2022 (04/2022), 14/09/2022 (03/2022), 30/06/2022 (02/2022) and 29/03/2022 (01/2022).</p> <p>h) Emergency Procedures and Safe Working Procedures were available at the office, workshops and chemical stores. Emergency Plans were available for identified incidences such as Fire, Accident, Chemical Spillage and Evacuation. Emergency Response Team was formed in the estate to counter any unwanted emergencies. ERP and Fire Extinguisher Training was conducted on 04/05/2021 at FGVPISB Kerteh POM.</p> <p>i) First Aid Kits were available at all sampled work units, Workshop, Boiler Station and Chemical Store. The first aid kits were well equipped with first aid items as stated in the list. All items were seen to be replenished at monitored regularly as per the monitoring checklist. The First Aid Kit holders were aware on how to use the items in case of an emergency.</p> <p>j) First Aider Refresher held at Alaf – Akademi Latihan FGV, Kuantan on 21/12/2021 attended by personals from FGVPISB Kerteh POM. Basic Occupational First Aid, CPR & AED Training was attended by the staff from FGVPKM Kerteh Estate on 10 – 11/11/2021.</p> <p>Accident records were maintained and updated on a monthly basis at the mill FGVPISB Kerteh POM.</p> <p>There was no accident reported for the year 2022 in the mill. The JKPP 6 form and accident investigations were available for verification. The JKPP 8 form for the year 2022 has been submitted to DOSH on 25/01/2022 and available for verification. Reference no: JKPP 8/106193/2021 There were no accidents reported in the</p>	

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		mill for the year 2022. From the JKKP 8 28 workers was reported loss hearing impairment. In the JKKP 7 FGVPISB Kerteh POM has reported the incident on the hearing impairment caused by noise. The report is reported by En. Mohd Asri bin Ibrahim on 05/07/2021.	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees. - Major compliance -	Good social practices regarding human rights were addressed in the FGV Holdings Bhd's Group Sustainability Policy [doc. no. FGV/SED/POL/001, rev. 4, dated 17/11/2020] which was approved by the board of directors. Among the commitments covered in the document are Promoting Economic Growth, Respecting Human Rights, and Protecting the Environment, to name a few. Communication to the employees was done in various methods such as briefing during morning muster, display on notice boards and training. Interview with workers showed that they have a good understanding on human rights.	Complied
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	The company is committed to ensure all the employees are treated equally regardless of race, nationality religion, gender, age, and other political opinions. Interview with the workers showed that no discrimination is being practiced.	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.	The latest collective agreement (CA) entitled " <i>Perjanjian Bersama Antara FGV Palm Industries Sdn Bhd dengan Kesatuan Pekerja-pekerja FGV Palm Industries Sdn Bhd (Semenanjung)</i> " [COG. No.: 119/2022, dated 12/05/2022]. The agreement is effective from 1/1/2022 to 31/12/2024. Basic wage was spelt out under Article 18.1 of the	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	agreement which complies with the current Minimum Wage Order, 2022. Sampled pay slips for the months of Jan and Dec 2022 confirmed that the workers were paid in accordance with the Minimum Wage Order 2022. 11 workers were sampled for the appropriateness of their employment contract and pay slips. Based on verification of pay slips and interview with the workers, the pay and conditions were found to be meeting the legal minimum standard and in-line with the employment contracts.	
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance -	Management ensured the employees of contractors are paid based on legal or industry minimum standards according to the employment contract by obtaining and reviewing pay slips from the contractors. Verification of the payslips confirmed that the employees of contractors were paid in accordance with minimum standard including contribution of EPF and SOCSO.	Complied
4.4.5.5	The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	All the recruited workers will be registered in the Human Resource Management System (OPMS) or SAP system where personal details such as name, nationality, date of employed, job description, wage rate, date of birth, gender and entitlement of public holiday was stated in the biodata form.	Complied
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	Offer letters were issued and acceptance of offer were acknowledged, and copies were kept by the workers. This has been verified through interview with workers. The terms and conditions such as salary, termination of employment, annual leave entitlement and probation period were clearly stated in the Contract Agreement between FGV Palm Industries Sdn Bhd and Kesatuan Pekerja-pekerja FGV Palm	Complied

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		Industries Sdn Bhd Semenanjung. The agreement is effective from 1/1/2022 to 31/12/2024. 11 samples of employment contracts verified, and based on interview, the workers had voluntarily signed the contracts and they were also made to understand the contents by the management.	
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 -	The working hours are recorded using punch card system where the attendance can be verified through the punch card of individual workers. The time enter, break time and exit of work were also clearly stated in the punch card. Verification on the system and pay slips confirmed that the attendance was accurately recorded.	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 -	Based on the records review of the Punch card of sampled workers it was found that the entry time and exit time which were clearly stated in the punch card, conformed to the terms and conditions stipulated in the collective agreement [ref.: <i>Perjanjian Bersama antara FGV Palm Industries Sdn Bhd dengan Kesatuan Pekerja-pekerja FGV Palm Industries Sdn Bhd Semenanjung</i> , validity 1/1/2022 to 31/12/2024].	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 -	Documented payslips were given to each worker on pay day, which is not later than 7 th of every month. Wages and overtime were paid according to the attendance record which includes the total hours of overtime and daily attendance. Among the information available in the payslip was name of workers, itemised details of income, itemised details of deduction, no. of turn-out days, no. of absent days, and nett income to name a few.	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	Among other benefits offered to the employees according to the CA are project living allowance, shift allowance, head of department allowance and competency allowance.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	development, medical care provisions and improvement of social surroundings. - Minor compliance -		
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. - Major compliance -	Housing is provided to workers with basic amenities. Water and electricity are supplied by public domain. Water bill is subsidized up to maximum RM15/month/household whereas electricity bill is fully borne by the employees (occupants) according to Article 41.2 and 41.3 of the collective agreement. Inspections of quarters in accordance with Workers' Minimum Standards of Housing and Amenities Act 1990 were done on weekly basis. Records of inspection were well maintained.	Complied
4.4.5.12	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.5 Preventing Harassment and Abuse. Apart from that, procedure " <i>Menangani Aduan Melalui Jawatankuasa Wanita</i> " (Doc. No.: FGV/ML-1A/L2-Pr14, rev. 0, dated 1/6/2016) was established to provide a system for handling the complaint regarding sexual harassment and violence. There was no issue regarding sexual harassment and violence reported.	Complied
4.4.5.13	The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard. The company allows the employees to join any legal association and get approval from the management. Workers' Committee was established to discuss	Complied

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Criterion / Indicator		Assessment Findings	Compliance																																	
	right should not be discriminated against or suffer repercussions. - Major compliance -	any issues related to safety & health, hostel facilities, social, and wages, to name a few.																																		
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. - Major compliance -	FGV Holdings Berhad has developed Human Rights Policy under Group Sustainability Policy dated 17/11/2020 and signed and Approved by Board of Directors. Refer FGV/SED/POL/001 Revision: 4.0 dated 17/11/2020 section 5.2.2 Upholding Labour Standard where the company will not recruit any individual who is less than 18 years of age to work in plantations. Document review on the list of workers confirmed that all the employees were above 18 years old at the point of recruitment.	Complied																																	
Criterion 4.4.6: Training and competency																																				
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	<p>The Mill has a comprehensive annual training plan for its staff and workers, and this was sighted in the training records file for each staff and workers. The training plan for 2023 was sighted as follow:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td colspan="3">Environment</td> </tr> <tr> <td>1</td> <td>Pengurusan Bahan berjadual</td> <td>June 2023</td> </tr> <tr> <td>2</td> <td>HCV</td> <td>Jul 2023</td> </tr> <tr> <td>3</td> <td>Waste</td> <td>Aug 2023</td> </tr> <tr> <td>4</td> <td>Aspect and Impact</td> <td>May 2023</td> </tr> <tr> <td>5</td> <td>Spillage drill</td> <td>Apr 2023</td> </tr> <tr> <td>6</td> <td>Open burning</td> <td>Sept 2023</td> </tr> <tr> <td colspan="3">Social</td> </tr> <tr> <td>1</td> <td>SIA</td> <td>Feb 2023</td> </tr> <tr> <td>2</td> <td>MSPO & RSPO awareness</td> <td>Mar 2023</td> </tr> </tbody> </table>	No	Training	Date	Environment			1	Pengurusan Bahan berjadual	June 2023	2	HCV	Jul 2023	3	Waste	Aug 2023	4	Aspect and Impact	May 2023	5	Spillage drill	Apr 2023	6	Open burning	Sept 2023	Social			1	SIA	Feb 2023	2	MSPO & RSPO awareness	Mar 2023	Complied
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Criterion / Indicator		Assessment Findings			Compliance		
		3	Policy Company	Apr 2023			
		4	Sexual Harassment	May 2022			
		Safety and health					
		1	Safety and health Campaign	Feb 2023			
		2	NADOPOD	Sept 2023			
		3	HIRARC	Oct 2023			
		4	Chemical handling	Feb 2023			
		5	HCP	Feb 2023			
		6	PKS	Jan 2023			
		7	FMA & OSHA	Nov 2023			
		ERP					
		1	Fire Drill	Jul 2023			
		2	Fire Extinguisher	Jul 2023			
		3	First Aid	Aug 2023			
		4	Emergency Training	Apr 2023			
		Training done in year 2022.					
		No	Training	Date			
		Environment					
		1	Pengurusan Baha berjadual	08/12/2022			
		2	HCV	28/05/2022			
		3	Waste	08/08/2022			
		4	Aspect and Impact	18/08/2022			
		5	Spillage drill	19/07/2022			
		6	Open burning	20/01/2022			
		Social					
		1	SIA	08/09/2022			

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Criterion / Indicator		Assessment Findings			Compliance
		2	MSPO & RSPO awareness	31/03/2022	
		3	Policy Company	10/11/2022	
		4	Sexual Harassment	24/11/2022	
			Safety and health		
		1	Safety and health Campaign	11/02/2022	
		2	NADOPOD	-	
		3	HIRARC	18/08/2022	
		4	Chemical handling	29/03/2022	
		5	HCP	30/01/2022	
		6	PKS	03/11/2022	
		7	FMA & OSHA	09/11/2022	
			ERP		
		1	Fire Drill	27/06/2022	
		2	Fire Extinguisher	19/12/2022	
		3	First Aid	16/11/2022	
		4	Emergency Training	27/04/2022	
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 -	Seen, all the training need / matrix of all the personnel in the files. Training Need Analysis of all workers are based on their competencies and job description.			
4.4.6.3	A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure. - Minor compliance -	All workers involved in the operations have been adequately trained in safe working practice. The mill has a comprehensive Training Needs Analysis for staffs and workers, and this was sighted in the training records file. Trainings conducted were recorded in the various trainings			Complied

Criterion / Indicator		Assessment Findings	Compliance						
		record and completed with attendance records, training materials and photographs of the training.							
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 an Environmental Policy titled Pernyataan Polisi Alam Sekitar FGV Holdings Berhad for the mill issued and endorsed in 05/11/2021 by the Ketua Pegawai Eksekutif Kumpulan of FGV. Therein the policy among others stated that the Company is committed: a) To protecting the environment and conserving biodiversity through sustainable development. b) Abide by all legislative requirement. c) Manages environmental risk and providing reasonable resources to minimize risk and pollution to environment. d) Continuing and improving efficiency towards enhancing environment.	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 Policy is available, and objectives stated therein. Among others the objectives are to comply with DOE regulatory requirement. Initiative in plan as tabled below; In addition, the mill has initiated the following projects for enhancement to the environmental issues. <table border="1" data-bbox="1048 1193 1868 1324"> <thead> <tr> <th></th> <th>Projects</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental</td> <td>Removal of species Water Liyy in effluent algae pond in Mac 2023 - RM 230K to improve effluent flow and compliance to the DOE standards.</td> </tr> </tbody> </table>		Projects	Details	1	Environmental	Removal of species Water Liyy in effluent algae pond in Mac 2023 - RM 230K to improve effluent flow and compliance to the DOE standards.	Complied
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Criterion / Indicator		Assessment Findings		Compliance
		2	Environmental Scheduled effluent pond disludging in phases at pond no 1,2 & 3 at RM 80.5K ranging Feb to May 2023.	
		3	Operations Daily monitoring of the effluent quality to meet legal compliance.	
			Operations Maintenance of valve discharge to the dry bed.	
		4	Boiler emission ESP (VORSEP) installation in Sept 2021 RM2.8M for improved dust particulate emission.	
		5	Safety Incinerator - Replacement of cone /chimney RM150K - Feb 2023.	
		6	Safety Safety Campaign Regional 2x / Annual.	
		7	Environment E-waste awareness campaign - DOE.	
		<p>The environmental aspects and impact evaluation has been established for the mill operations covering activities in relation to reception, sterilization, oil room operation, kernel processing, boiler operation, power generation, crude palm oil storage leakage and spillage, ruptured, effluent pond operations and diesoline storage tank. The list was reviewed in 12/10/2022.</p> <p>In the comprehensive report, the study of aspect and impact are aimed to:</p> <ul style="list-style-type: none"> a) Plan to avoid negative impact and to promote positive impacts. b) Reduction disposal of waste taking into consideration of social responsibilities. c) Plan to reduce pollution and release of GHG d) Development and implementations. 		

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Criterion / Indicator		Assessment Findings	Compliance																
		<p>Additionally, the following efforts were initiated by the management to reduce impact on the environment.</p> <table border="1"> <thead> <tr> <th></th> <th>Issue</th> <th>Initiative</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Smoke emission from vehicles</td> <td>Implement PMV</td> </tr> <tr> <td>2</td> <td>Diesel spillage during infilling</td> <td>Establish trap, tray & spill kit</td> </tr> <tr> <td>3</td> <td>Effective paper usage</td> <td>Recycle practices in office</td> </tr> </tbody> </table>		Issue	Initiative	1	Smoke emission from vehicles	Implement PMV	2	Diesel spillage during infilling	Establish trap, tray & spill kit	3	Effective paper usage	Recycle practices in office					
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4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p>- Major compliance -</p>	<p>The mill monitors aspects and impacts among others the following activities This plan is available and similar to the reduction of pollution and emission. Mainly the areas relating to significant impact to the environment and the effort implemented are summarized below.</p> <table border="1"> <thead> <tr> <th></th> <th>Environmental</th> <th>Solution Procedure/Action Plan</th> <th>Location</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Water Quality</td> <td>Continuous monitoring water quality at identified points of river for detection of quality/ pollution Analysis made at certified laboratory Advisory/ guidance from Health Ministry</td> <td>River, Water Treatment Plant,</td> </tr> <tr> <td>2</td> <td>Air Quality</td> <td>Adherence to the legislative requirement on boiler emission Prohibition of open burning Fibre and shell are used as fuel in the boiler furnace Monitoring of CEMS system</td> <td>Boiler operation mill complex</td> </tr> <tr> <td>3</td> <td>Scheduled waste</td> <td>Scheduled wastes are managed in accordance with the regulatory requirements.</td> <td>Source of generation / store</td> </tr> </tbody> </table> <p>Records of periodical reporting of the listed issues were available. These were the evidence which showed that the plans been monitored.</p>		Environmental	Solution Procedure/Action Plan	Location	1	Water Quality	Continuous monitoring water quality at identified points of river for detection of quality/ pollution Analysis made at certified laboratory Advisory/ guidance from Health Ministry	River, Water Treatment Plant,	2	Air Quality	Adherence to the legislative requirement on boiler emission Prohibition of open burning Fibre and shell are used as fuel in the boiler furnace Monitoring of CEMS system	Boiler operation mill complex	3	Scheduled waste	Scheduled wastes are managed in accordance with the regulatory requirements.	Source of generation / store	Complied
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Criterion / Indicator		Assessment Findings				Compliance																														
		The plans were reviewed annually during the Management review / ESH meeting where environmental issues were discussed. <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Date</th> <th></th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>14/12/2022</td> <td>3</td> <td>29/06/22</td> </tr> <tr> <td>2</td> <td>28/09/2022</td> <td>4</td> <td>22/03/2022</td> </tr> </tbody> </table>					Date		Date	1	14/12/2022	3	29/06/22	2	28/09/2022	4	22/03/2022																			
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4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Details are included in the continual improvement plan. Details as summarized below: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Projects</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental</td> <td>Removal of species Water Lily in effluent algae pond in Mac 2023 - RM 230K to improve effluent flow and compliance to the DOE standards.</td> </tr> <tr> <td>2</td> <td>Environmental</td> <td>Scheduled effluent pond disludging in phases at pond no 1,2 & 3 at RM 80.5K ranging Feb to May 2023.</td> </tr> <tr> <td>3</td> <td>Operations</td> <td>Daily monitoring of the effluent quality to meet legal compliance.</td> </tr> <tr> <td></td> <td>Operations</td> <td>Maintenance of valve discharge to the dry bed</td> </tr> <tr> <td>4</td> <td>Boiler emission</td> <td>ESP (VORSEP) installation in Sept 2021 RM2.8M for improved dust particulate emission.</td> </tr> <tr> <td></td> <td>Safety</td> <td>Incinerator - Replacement of cone /chimney RM150K - Feb 2023</td> </tr> <tr> <td>5</td> <td>Safety</td> <td>Safety Campaign Regional 2x / Annual</td> </tr> <tr> <td>6</td> <td>Environment</td> <td>E-waste awareness campaign - DOE</td> </tr> <tr> <td>7</td> <td>Welfare</td> <td>10 units workers houses RM2M - 2025</td> </tr> </tbody> </table>					Projects	Details	1	Environmental	Removal of species Water Lily in effluent algae pond in Mac 2023 - RM 230K to improve effluent flow and compliance to the DOE standards.	2	Environmental	Scheduled effluent pond disludging in phases at pond no 1,2 & 3 at RM 80.5K ranging Feb to May 2023.	3	Operations	Daily monitoring of the effluent quality to meet legal compliance.		Operations	Maintenance of valve discharge to the dry bed	4	Boiler emission	ESP (VORSEP) installation in Sept 2021 RM2.8M for improved dust particulate emission.		Safety	Incinerator - Replacement of cone /chimney RM150K - Feb 2023	5	Safety	Safety Campaign Regional 2x / Annual	6	Environment	E-waste awareness campaign - DOE	7	Welfare	10 units workers houses RM2M - 2025	Complied
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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>A training program is available and updated on yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment among others listed below:</p> <ul style="list-style-type: none"> a) Environmental Quality Act & Regulations 1974 b) Environmental, safety & health policy c) ERP Oil /chemical spill d) Scheduled waste management e) Environmental responsibility, HCV & Biodiversity. <table border="1"> <thead> <tr> <th></th> <th>Date</th> <th>Subject</th> <th>Attendee</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>08/12/22</td> <td>SOP - Waste Management/ SW</td> <td>Entire</td> </tr> <tr> <td>2</td> <td>26/05/22</td> <td>HCV RTE Protection</td> <td>Entire</td> </tr> <tr> <td>3</td> <td>31/03/22</td> <td>RSPO/ MSPO Refresher Briefing</td> <td>Entire</td> </tr> <tr> <td>4</td> <td>10/11/22</td> <td>Environmental Policy Briefing</td> <td>Entire</td> </tr> <tr> <td>5</td> <td>29/03/22</td> <td>Chemical Handling</td> <td>10</td> </tr> <tr> <td>6</td> <td>19/07/22</td> <td>ERP - Spillages Drill</td> <td>10</td> </tr> </tbody> </table>		Date	Subject	Attendee	1	08/12/22	SOP - Waste Management/ SW	Entire	2	26/05/22	HCV RTE Protection	Entire	3	31/03/22	RSPO/ MSPO Refresher Briefing	Entire	4	10/11/22	Environmental Policy Briefing	Entire	5	29/03/22	Chemical Handling	10	6	19/07/22	ERP - Spillages Drill	10	Complied
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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 environmental issues are discussed in a meeting by the EPMC (Environmental Performance Monitoring Committee) Meeting is held 4x /year. The agenda discussed among others as follows:</p> <ul style="list-style-type: none"> a) Matters arising b) Performance of environment compliance c) Report on environmental pollution d) Self-compliance checklist performance e) Effluent treatment/ clean air/ scheduled waste f) Audit report on EMS/ RSPO/ MSPO g) Domestic waste issues 	Complied																												

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Criterion / Indicator		Assessment Findings				Compliance
			Date		Date	
		1	14/12/2022	3	29/06/2022	
		2	28/09/2022	4	22/03/2022	
		<p>Sighted minutes of meeting dated 14/12/2022 and 28/09/22 among others discussing the following;</p> <ul style="list-style-type: none"> a) Effluent treatment and performance b) Scheduled wastes and others waste management c) Clean air monitoring d) Environmental Programs. <p>In addition, environmental issues were also discussed during the quarterly ESH meetings and also briefed during the weekly muster.</p>				
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>- Major compliance -</p>	<p>The monitoring is recorded in environment performance indicator- electricity generated by steam turbine tabulated for the financial year Jan-Dec. It is calculated as electricity generated from turbine that produces power for the mill entire complex operation unit in kwh/mt FFB. A monthly record on energy consumption for both renewable and non-renewable sources were also maintained documented. It is monitored to optimize use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel.</p> <p>Under the annual energy management plan 2023 the mill aimed for reduction plan among others:</p> <ul style="list-style-type: none"> a) Educate workers on fuel saving practice b) Avoid leakages during vehicles maintenance. 				Complied

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4.5.2.2	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p>- Major compliance -</p>	<p>The mill records the following data and tabulates the ratio against the FFB processed to determine the efficiency of their operations:</p> <p>a) All the diesel used (non-renewable) for the mill operations b) Fibre/shell used (renewable)</p> <p>The utilization of fossil fuel in 2022 is being monitored with records shown below. The mill diesel utilization in 2022 is 65,963 liters which tally with the GHG declared figures. Other records in the CU as recorded below calculated in diesel/FFB mt.</p> <table border="1"> <thead> <tr> <th></th> <th>Mth</th> <th>Diesel/FFB</th> <th></th> <th>Mth</th> <th>Diesel/FFB</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Jan</td> <td>0.37</td> <td>7</td> <td>July</td> <td>0.31</td> </tr> <tr> <td>2</td> <td>Feb</td> <td>0.33</td> <td>8</td> <td>Aug</td> <td>0.30</td> </tr> <tr> <td>3</td> <td>Mac</td> <td>0.31</td> <td>9</td> <td>Sept</td> <td>0.30</td> </tr> <tr> <td>4</td> <td>Apr</td> <td>0.30</td> <td>10</td> <td>Oct</td> <td>0.31</td> </tr> <tr> <td>5</td> <td>May</td> <td>0.30</td> <td>11</td> <td>Nov</td> <td>0.31</td> </tr> <tr> <td>6</td> <td>Jun</td> <td>0.31</td> <td>12</td> <td>Dec</td> <td>0.32</td> </tr> </tbody> </table> <p>Factors relating to weather condition, FFB ramp balances, vehicles breakdown, gen-set breakdown are the attributes to the variation in the diesel/FFB ratio performance.</p>		Mth	Diesel/FFB		Mth	Diesel/FFB	1	Jan	0.37	7	July	0.31	2	Feb	0.33	8	Aug	0.30	3	Mac	0.31	9	Sept	0.30	4	Apr	0.30	10	Oct	0.31	5	May	0.30	11	Nov	0.31	6	Jun	0.31	12	Dec	0.32	Complied
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5	May	0.30	11	Nov	0.31																																								
6	Jun	0.31	12	Dec	0.32																																								
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>The fibre and shell are used in the boiler for fuel recycled in the process system. Surplus quantity of shell/fibre are delivered to estates for multi purposes or sold to outside buyers. EFB is used in the estates for mulching.</p>	Complied																																										
Criterion 4.5.3: Waste management and disposal																																													
4.5.3.1	<p>All waste products and sources of pollution shall be identified and</p>	<p>FGVPIB Kerteh POM had identified all wastes and sources of pollution.</p>	Complied																																										

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4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>FGVPISB Kerteh POM had identified all wastes and sources of pollution. The Waste Management Action Plan 2023 were established to mitigate and control the identified wastes and source of pollution. The common significant environmental receptors for the estates and mill operations among others as summarized below:</p> <table border="1"> <thead> <tr> <th></th> <th>Receptor</th> <th>Sources</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Air</td> <td>Sources from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)- GHG</td> </tr> <tr> <td>2</td> <td>Water</td> <td>Cleaning water/ run-off/ process station waters (hydro-cyclone/ sterilizer condensate/ clarification waste) & boiler quenching water and blow down</td> </tr> <tr> <td>3</td> <td>Land</td> <td>Scheduled waste, domestic waste and industrial/ process waste.</td> </tr> </tbody> </table> <p>All waste and pollution are identified and documented in the Waste Management Plan and Pollution Prevention Plan 2023 reviewed annually. The waste generated from the mill/estates operations as shown below:</p> <table border="1"> <thead> <tr> <th></th> <th>Type of waste</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Scheduled waste</td> <td>Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries</td> </tr> <tr> <td>2</td> <td>Domestic waste</td> <td>Rubbish from the mill/ estate complex and employees' quarters</td> </tr> <tr> <td>3</td> <td>Industrial waste</td> <td>Fiber, palm kernel shell, boiler ash, scrap iron</td> </tr> </tbody> </table>			Receptor	Sources	1	Air	Sources from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)- GHG	2	Water	Cleaning water/ run-off/ process station waters (hydro-cyclone/ sterilizer condensate/ clarification waste) & boiler quenching water and blow down	3	Land	Scheduled waste, domestic waste and industrial/ process waste.		Type of waste	Details	1	Scheduled waste	Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries	2	Domestic waste	Rubbish from the mill/ estate complex and employees' quarters	3	Industrial waste	Fiber, palm kernel shell, boiler ash, scrap iron	Complied
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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 Kerteh POM had established SOP for chemical handling. The SOP of handling of chemicals is available in the following document</p> <p>a) Manual Ladang Sawit Lestari</p> <ul style="list-style-type: none"> - Prosedure Kerja Selamat <p>b) Manual Sustainability</p> <ul style="list-style-type: none"> - Prosedur Kerja Selamat - Prosedur Penyimpanan / Penggunaan Racun <p>The scheduled waste is disposed to Pentas Flora Sdn Bhd registered with DOE. DOE letter of authorization Pentas Flora (Kelantan) Sdn Bhd for SW collection ref no 00487 dated 30/04/2023. Details of scheduled waste dispatched as recorded below. The duration of storage is in line with the date of generation.</p> <table border="1"> <thead> <tr> <th></th> <th>Date</th> <th>SW 409</th> <th>SW 305</th> <th>SW410</th> <th>SW322</th> <th>SW102</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>21/12/22</td> <td>0.054</td> <td>-</td> <td>0.090</td> <td>0.018</td> <td>-</td> </tr> <tr> <td>2</td> <td>05/12/22</td> <td>-</td> <td>0.694</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>3</td> <td>15/06/22</td> <td>0.008</td> <td>0.183</td> <td>0.069</td> <td>-</td> <td>0.038</td> </tr> <tr> <td>4</td> <td>15/02/22</td> <td>0.026</td> <td>0.258</td> <td>0.091</td> <td>0.019</td> <td>-</td> </tr> <tr> <td>5</td> <td>06/9/21</td> <td>0.022</td> <td>0.258</td> <td>0.137</td> <td>0.036</td> <td>-</td> </tr> </tbody> </table>		Date	SW 409	SW 305	SW410	SW322	SW102	1	21/12/22	0.054	-	0.090	0.018	-	2	05/12/22	-	0.694	-	-	-	3	15/06/22	0.008	0.183	0.069	-	0.038	4	15/02/22	0.026	0.258	0.091	0.019	-	5	06/9/21	0.022	0.258	0.137	0.036	-	Complied
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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>Domestic waste for the mill and housing complex are disposed at Majlis Daerah Dungun landfill collected 2/3x week. Sighted and verified payment for services made on 22/12/2022 ref no P0025062.</p>	Complied																																										
Criterion 4.5.4: Reduction of pollution and emission																																													
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot</p>	<p>The polluting activities are identified and documented in the Environmental Aspect & Impact Identification. From the EAI, it will be</p>	Complied																																										

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Criterion / Indicator		Assessment Findings	Compliance																																	
	<p>emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>evaluated for the impact and any impact will be included in the management plan. The evaluation is documented in the Environmental Impact Evaluation. All waste and pollution are identified and documented in the Waste Management Plan and Pollution Prevention Plan Financial Year 2023 reviewed annually. The waste generated from the mill operations as shown below:</p> <table border="1"> <thead> <tr> <th></th> <th>Type of waste</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Scheduled waste</td> <td>Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries</td> </tr> <tr> <td>2</td> <td>Domestic waste</td> <td>rubbish from the mill/estate complex and employees' quarters</td> </tr> <tr> <td>3</td> <td>Industrial waste</td> <td>Fiber, palm kernel shell, boiler ash, scrap iron</td> </tr> <tr> <td>4</td> <td>Sewage</td> <td>Sewage from housing/ office complex</td> </tr> </tbody> </table> <p>The pollution identified from the mill operations/ activities:</p> <table border="1"> <thead> <tr> <th></th> <th>Type of waste</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Black smoke</td> <td>Emission from Boilers/ vehicles/ engines</td> </tr> <tr> <td>2</td> <td>Odor & gases</td> <td>Activities from the effluent treatment</td> </tr> <tr> <td>3</td> <td>Leakage of lubricant</td> <td>Storage & vehicle maintenance</td> </tr> </tbody> </table> <p>The mill also monitored and maintained records on Palm GHG. Inclusive in the report are the plantation/ field emission data from field emission and sinks (tCO₂e/t FFB) and mill emission from mill emission and credits (tCO₂e/t FFB)</p> <p>In addition, the mill has initiated the following projects for enhancement to the environmental/ waste issues.</p> <table border="1"> <thead> <tr> <th></th> <th>Projects</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental</td> <td>Removal of species Water Lily in effluent algae pond to improve effluent flow.</td> </tr> </tbody> </table>		Type of waste	Details	1	Scheduled waste	Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries	2	Domestic waste	rubbish from the mill/estate complex and employees' quarters	3	Industrial waste	Fiber, palm kernel shell, boiler ash, scrap iron	4	Sewage	Sewage from housing/ office complex		Type of waste	Details	1	Black smoke	Emission from Boilers/ vehicles/ engines	2	Odor & gases	Activities from the effluent treatment	3	Leakage of lubricant	Storage & vehicle maintenance		Projects	Details	1	Environmental	Removal of species Water Lily in effluent algae pond to improve effluent flow.	
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4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The action plan to reduce the pollution is tabled below.			Complied
			Environmental Issues	Management/Action Plan	PIC
		1	Boiler- Black smoke	To monitor the condition of dust cyclone every 3 months To carry out boiler furnace cleaning every week	AMM
		2	Effluent- Odor & gases	To maintain proper feeding into digestion process of effluent to prevent severe and unpleasant odour	AMM
		3	Vehicles/ Lorries- Leakage of lubricant/ diesel	Ensure maintenance schedule to be strictly followed To place all lubricant oil drum on metal trays. Vehicles awaiting entry into the mill to be switched off	AMM
		4	Domestic waste – odor and environmental pollution	Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.	AMM

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		<p>All efforts and action plan for the identified pollutants and emission above at current is adequate to comply with the requirement. All identified issues have significant impacts to the environment.</p> <p>In addition the mill has initiated the following projects for enhancement to the environmental / pollution issues.</p> <table border="1"> <thead> <tr> <th></th> <th>Projects</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental</td> <td>Removal of species Water Liy in effluent algae pond to improve effluent flow.</td> </tr> <tr> <td>2</td> <td>Environmental</td> <td>Scheduled effluent pond disludging in phases at pond no 1,2 & 3 beginning Feb to May 2023.</td> </tr> <tr> <td>3</td> <td>Operations</td> <td>Maintenance of valve discharge to the dry bed</td> </tr> <tr> <td>4</td> <td>Boiler emission</td> <td>ESP (VORSEP) installation in Sept 2021 RM2.8M for improvement of dust particulate emission.</td> </tr> <tr> <td>5</td> <td>Environment</td> <td>Incinerator - Replacement of cone /chimney</td> </tr> </tbody> </table>		Projects	Details	1	Environmental	Removal of species Water Liy in effluent algae pond to improve effluent flow.	2	Environmental	Scheduled effluent pond disludging in phases at pond no 1,2 & 3 beginning Feb to May 2023.	3	Operations	Maintenance of valve discharge to the dry bed	4	Boiler emission	ESP (VORSEP) installation in Sept 2021 RM2.8M for improvement of dust particulate emission.	5	Environment	Incinerator - Replacement of cone /chimney													
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4.5.4.3	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p>- Major compliance -</p>	<p>Palm oil mill effluent (POME) is treated to ensure compliance with the DOE standards. Interview with operator in charge revealed that the operation was in accordance with standard operation procedure and legal requirements.</p> <p>a) No over flow was observed, and flow meter reading was recorded daily. Submission to DOE are made through Borang Penyata Suku Tahunan</p> <table border="1"> <thead> <tr> <th>Sample date</th> <th>Std</th> <th>05/10/22</th> <th>02/11/22</th> <th>07/12/22</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>5.-9.</td> <td>8.08</td> <td>7.79</td> <td>7.84</td> </tr> <tr> <td>BOD</td> <td>100</td> <td>53</td> <td>82</td> <td>88</td> </tr> <tr> <td>COD</td> <td>-</td> <td>337</td> <td>379</td> <td>401</td> </tr> <tr> <td>Total solids</td> <td>5000</td> <td>2314</td> <td>1330</td> <td>1651</td> </tr> <tr> <td>S Solids</td> <td>400</td> <td>166</td> <td>138</td> <td>287</td> </tr> </tbody> </table>	Sample date	Std	05/10/22	02/11/22	07/12/22	pH	5.-9.	8.08	7.79	7.84	BOD	100	53	82	88	COD	-	337	379	401	Total solids	5000	2314	1330	1651	S Solids	400	166	138	287	Complied
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		Oil & grease	50	3	11	2													
		A Nitrogen	150	66	42	52													
		Total N	200	80	51	84													
		Sample date	Std	05/4/22	10/5/22	07/6/22													
		pH	5.-9.	6.73	7.59	8.04													
		BOD	100	33	43	90													
		COD	-	116	275	433													
		Total solids	5000	408	1128	2150													
		S Solids	400	104	96	141													
		Oil & grease	50	4	9	4													
		A Nitrogen	150	6	39	56													
		Total N	200	12	55	67													
		b) The results from final discharge were compliance within the DOE parameter limit mentioned in schedule 2. FGVPISB Kerteh POM DOE license no 004053 was for water discharge requirement of which is BOD less than 100mg/l. The mill is currently compiling a 5-year plan having the following projects for enhancement to the environmental issues.																	
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Criterion 4.5.5: Natural water resources																											
<p>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:</p> <ul style="list-style-type: none"> a) Assessment of water usage and sources. b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities. c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). <p>- Major compliance -</p>	<p>The mill water management plan has been established and reviewed in 01/01/2023. Among others the plan therein emphasized:</p> <ul style="list-style-type: none"> a) Rain water harvesting for cleaning purposes, b) Water from the reservoir/catchment for the mill operations c) Continual training workers on water efficiency consumption d) Desilting of water reservoir to retain the reservoir optimal capacity. <table border="1" data-bbox="1061 743 1865 1324"> <thead> <tr> <th></th> <th>Source</th> <th>Activity</th> <th>Threat</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Reservoir/pond/</td> <td>Chemical mixing</td> <td>Pollution Draught Wastage</td> <td>Enforcement of buffer zone as non-spraying activities.</td> </tr> <tr> <td>2</td> <td>SATU Rain</td> <td>General Upkeep</td> <td>Pollution Draught Wastage</td> <td>Follow WI & SOP to avoid water pollution. Follow SW SOP to avoid pollution caused from SW.</td> </tr> <tr> <td>3</td> <td></td> <td>Line site</td> <td>Pollution Draught Wastage</td> <td>Every house is on direct SATU. To schedule water supply to avoid wastage. Awareness on water usage efficiency. Outsource from neighboring estates.</td> </tr> <tr> <td>4</td> <td></td> <td></td> <td>Water pollution</td> <td>Prohibit workers from activities at water source Monitor condition of septic tank</td> </tr> </tbody> </table>		Source	Activity	Threat	Action Plan	1	Reservoir/pond/	Chemical mixing	Pollution Draught Wastage	Enforcement of buffer zone as non-spraying activities.	2	SATU Rain	General Upkeep	Pollution Draught Wastage	Follow WI & SOP to avoid water pollution. Follow SW SOP to avoid pollution caused from SW.	3		Line site	Pollution Draught Wastage	Every house is on direct SATU. To schedule water supply to avoid wastage. Awareness on water usage efficiency. Outsource from neighboring estates.	4			Water pollution	Prohibit workers from activities at water source Monitor condition of septic tank	<p>Complied</p>
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Criterion / Indicator		Assessment Findings				Compliance																																																																						
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		<p>The mill processing water are obtained from the water catchment adjacent to the mill complex. The water usage monitoring is made on a monthly basis with the latest recording (water usage per mt in 2022 of fresh fruit bunches (FFB) below; Base line is 1.50 ratio.</p> <table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>Water m3</th> <th>FFB /mt</th> <th>Water /FFB</th> </tr> </thead> <tbody> <tr><td>1</td><td>Jan</td><td>22663</td><td>13720</td><td>1.65</td></tr> <tr><td>2</td><td>Feb</td><td>9407</td><td>11800</td><td>0.80</td></tr> <tr><td>3</td><td>Mac</td><td>13053</td><td>16280</td><td>0.80</td></tr> <tr><td>4</td><td>Apr</td><td>4593</td><td>15570</td><td>0.29</td></tr> <tr><td>5</td><td>May</td><td>15434</td><td>14910</td><td>1.04</td></tr> <tr><td>6</td><td>June</td><td>16555</td><td>15290</td><td>1.08</td></tr> <tr><td>7</td><td>July</td><td>19783</td><td>18430</td><td>1.07</td></tr> <tr><td>8</td><td>Aug</td><td>22497</td><td>21020</td><td>1.07</td></tr> <tr><td>9</td><td>Sept</td><td>23792</td><td>21910</td><td>1.09</td></tr> <tr><td>10</td><td>Oct</td><td>26144</td><td>23600</td><td>1.11</td></tr> <tr><td>11</td><td>Nov</td><td>21457</td><td>19020</td><td>1.13</td></tr> <tr><td>12</td><td>Dec</td><td>18547</td><td>16260</td><td>1.14</td></tr> <tr><td></td><td>Total</td><td>213925</td><td>207810</td><td>1.03</td></tr> </tbody> </table> <p>There were variations of performance. Probable factors are linked to rainy days, significant boiler water rinsing/discharging for maintenance etc. Prevention is made especially during the manuring activities. FGV reviewed the environmental performances during the monthly EPMC Environmental Performance Monitoring Committee and the quarterly</p>					2022	Water m3	FFB /mt	Water /FFB	1	Jan	22663	13720	1.65	2	Feb	9407	11800	0.80	3	Mac	13053	16280	0.80	4	Apr	4593	15570	0.29	5	May	15434	14910	1.04	6	June	16555	15290	1.08	7	July	19783	18430	1.07	8	Aug	22497	21020	1.07	9	Sept	23792	21910	1.09	10	Oct	26144	23600	1.11	11	Nov	21457	19020	1.13	12	Dec	18547	16260	1.14		Total	213925	207810	1.03	
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Criterion / Indicator		Assessment Findings				Compliance																																																																																									
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		The results for both river shows the river water was conform to NWQS Class II. Sampling sites were visited and verified.													
4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. - Major compliance -	<p>FGVPISB Kerteh POM DOE license no 004053 was for land application requirement of which is BOD less than 100 mg/l. The mill is currently compiling management plan to aim for BOD reduction to 50 mg/l. The initiatives planned for enhancement to the effluent / environmental qualities among others as shown below pollution issues.</p> <table border="1"> <thead> <tr> <th></th> <th>Projects</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental</td> <td>Removal of species Water Liyy in effluent algae pond to improve effluent flow.</td> </tr> <tr> <td>2</td> <td>Environmental</td> <td>Scheduled effluent pond disludging in phases at pond no 1,2 & 3 beginning Feb to May 2023.</td> </tr> <tr> <td>3</td> <td>Operations</td> <td>Maintenance of valve discharge to the dry bed</td> </tr> </tbody> </table>		Projects	Details	1	Environmental	Removal of species Water Liyy in effluent algae pond to improve effluent flow.	2	Environmental	Scheduled effluent pond disludging in phases at pond no 1,2 & 3 beginning Feb to May 2023.	3	Operations	Maintenance of valve discharge to the dry bed	Complied
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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 -	<p>Among verification of SOP in the Mill was listed below:</p> <ol style="list-style-type: none"> 1. Sustainable Palm Oil Manual Procedure dated 20/01/2001 2. Safety working procedure dated 26/10/2018 3. Quality, Occupational Health, Safety and Environmental Procedure dated 08/06/2018 4. Laboratory Manual Operation Procedure dated 15/07/2020 <p>FGV has established mechanism to monitor the implementation of their procedure by Mill/Plantation Advisor Visit, Agronomist Visit, Mill Quality Control Unit and Internal Audit on compliance to RSPO, MSPO and SOP. The visit conducted on annually basis. In addition, there are also</p>	Complied												

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Criterion / Indicator		Assessment Findings	Compliance
		manuals available within the industry and MPOB that are used as guidelines.	
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	FGV Holdings Berhad has established mechanism to monitor the implementation of their procedure by Mill/Plantation Advisor/RC Visit, Internal Audit, Mill Quality Control Unit and Audit on compliance to RSPO, MSPO and SOP. The visit conducted on annually basis. Among report sighted on: - RC Visit: 01/08/2021 Internal Audit: 20-22/12/2022	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	The mill has available a business management plan in the form of an Annual Budget 2023 to guide the management and expenditure for the year. A 5 year business management plan (2022 – 2026) is available to include Operational Parameters (FFB), FFB Processed, OER, CPO, KER, and PK among others.	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 -	Guided by “Polisi Perolehan Kumpulan (PPK)” (Group Procurement Policy), March 2018 of Felda Global Ventures Holdings Berhad which covers various subjects such as selection method of vendors, procurement methods, tender policy, contract award policy, quotation policy, etc.	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 contract agreements have the details about the pricing and terms & conditions. Based on contract agreement, the payment will be made within 30 days after the date of invoice by the finance department at HQ level. There was no grievance about timing of payment. Based on	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		verification of payment vouchers and interview with the contractors, payments were made in timely manner.	
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 -	Should there be any contractors engaged, the contractors are required to acknowledge a letter regarding the compliance of MSPO requirements including allowing approved auditors to inspect relevant documents, operations and interview the workers whenever necessary. Nonetheless, there was no permanent contractor engaged by the mill.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	There was no permanent contractor engaged by the mill. Transportation of CPO/PK is managed by another FGV's subsidiary i.e., FGV Transport.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	Should there be any contractors engaged, the contractors are required to acknowledge a letter regarding the compliance of MSPO requirements including allowing approved auditors to inspect relevant documents, operations and interview the workers whenever necessary. Nonetheless, there was no permanent contractor engaged by the mill.	Complied

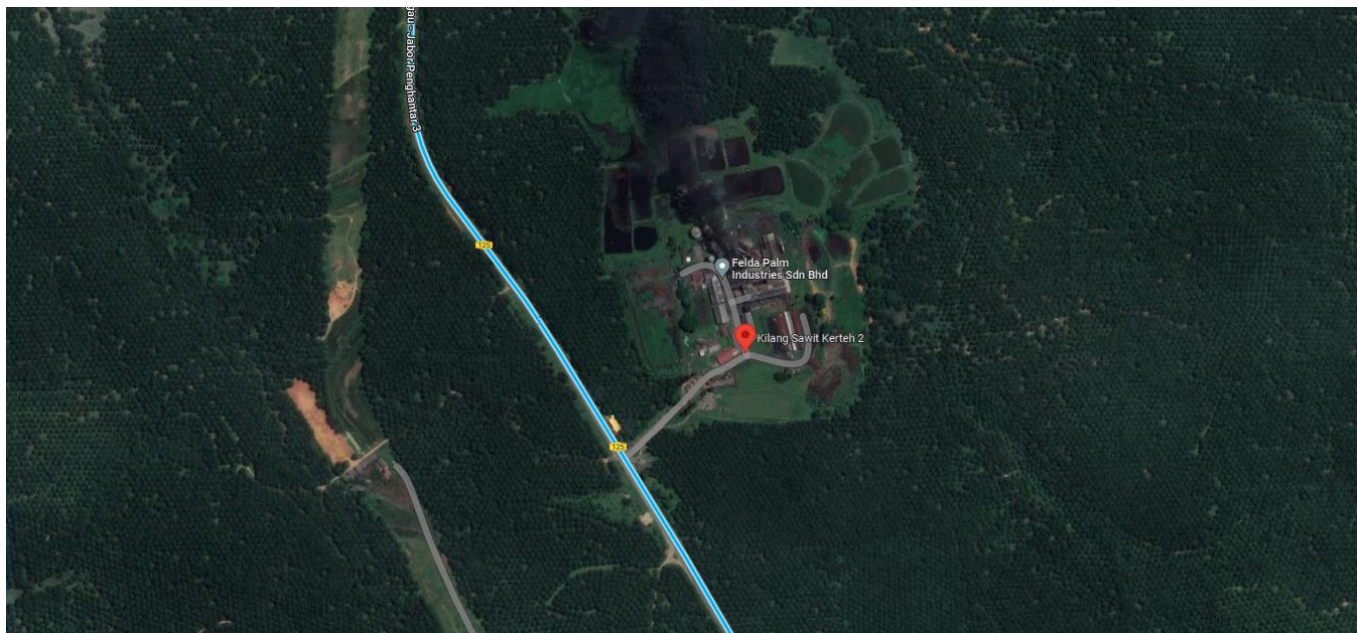
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Appendix B: Smallholder Member Details

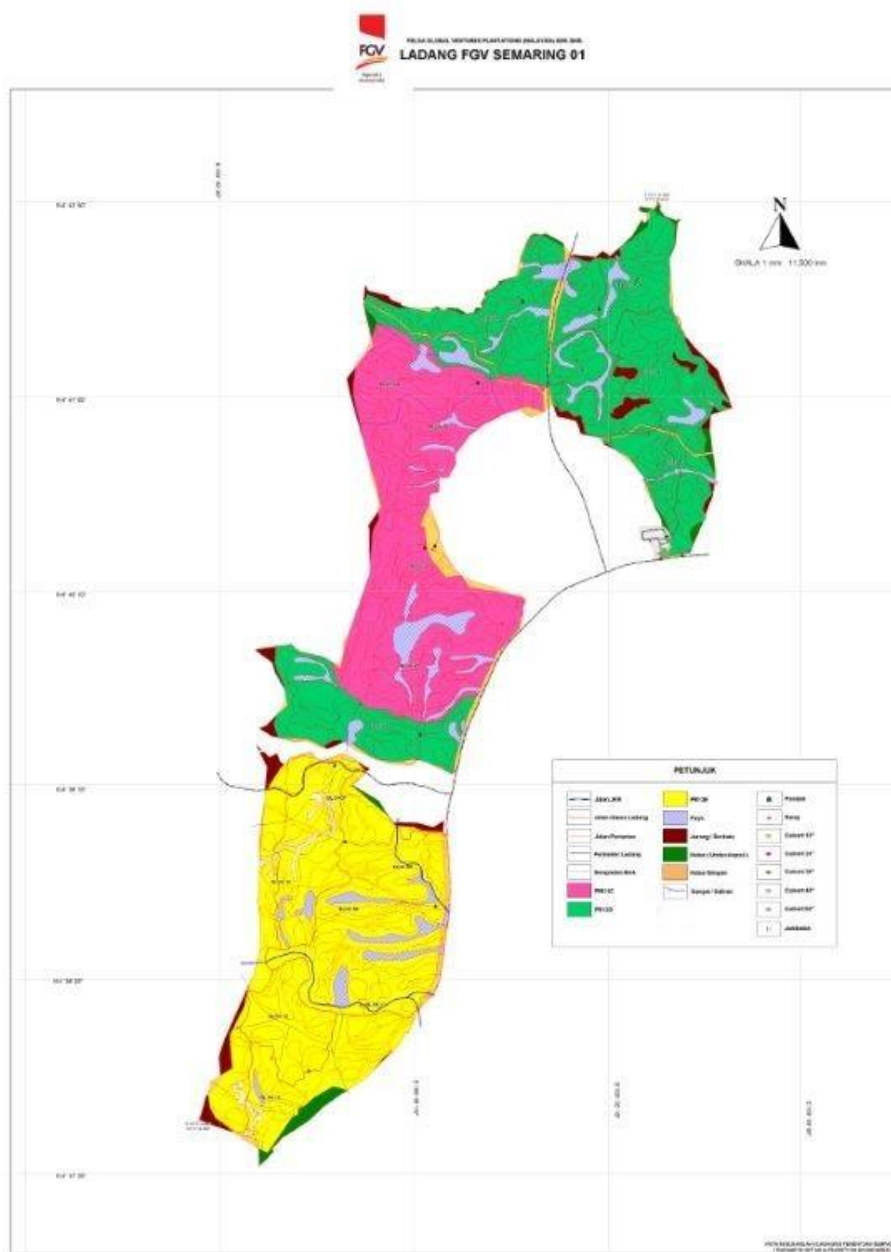
No.	Smallholder		Location of Planted Area (District)	GPS Coordinates		Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number		Latitude	Longitude		
	NA						

Appendix C: Location and Field Map

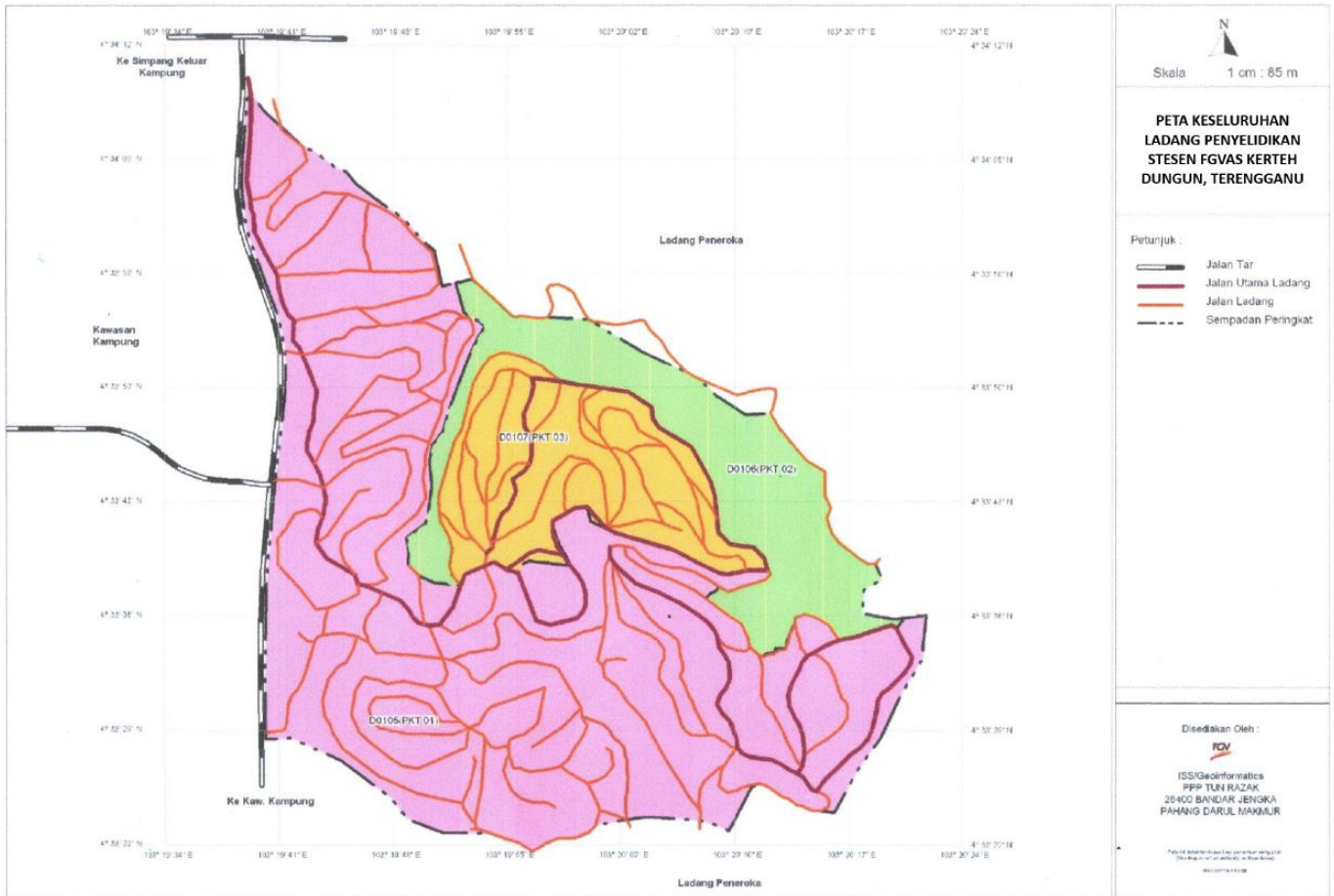
FGVPISB Kerteh Palm Oil Mill



FGVPM Semarang 01 Estate



FGVAS Kerteh Estate



Appendix D: List of Abbreviations

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
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
SDS	Safety Data Sheet
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure