

# FGV HOLDINGS BERHAD

RSPO Membership No: 1-0225-16-000-00

PLANTATION MANAGEMENT UNIT  
**Bukit Kepayang Grouping**  
Triang, Pahang Darul Makmur, Malaysia



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## Assessment Report

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**INITIAL ASSESSMENT**  
**PUBLIC SUMMARY REPORT**

**FGV HOLDINGS BERHAD**

RSPO Membership No: 1-0225-16-000-00

PLANTATION MANAGEMENT UNIT  
**Bukit Keayang Grouping**  
Triang, Pahang Darul Makmur, Malaysia

**Certificate No:**

Start date:  
Expiry date:

**RSPO 931988**

12 Feb 2019  
11 Feb 2024

**Assessment Type**

Initial Certification (Initial Assessment)  
Annual Surveillance Assessment (ASA-01)  
Annual Surveillance Assessment (ASA-02)  
Annual Surveillance Assessment (ASA-03)  
Annual Surveillance Assessment (ASA-04)  
Re-Certification

**Assessment Dates**

06–08 Aug 2018

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 3 of 71

## TABLE OF CONTENTS

Section	Content	Page No
<b>1.0</b>	<b>SCOPE OF ASSESSMENT</b>	4
1.1	Introduction	4
1.2	Location (address, GPS and map) mill, estates and hectarage	4
1.3	Description of supply base (fruit sources)	4
1.4	Year of plantings and cycle	5
1.5	Summary of Land Use, Conservation and HCV Areas	5
1.6	Other certifications held and Use of RSPO Trademarks	5
1.7	Organizational information/contact person	6
1.8	Tonnages Verified for Certification	7
1.9	Time Bound Plan and Multiple Management Units	8
1.10	Abbreviations Used	10
<b>2.0</b>	<b>ASSESSMENT PROCESS</b>	11
2.1	Assessment Methodology, Plan & Site Visits	11
2.2	Date of next scheduled visit	11
2.3	Qualifications of the Lead Assessor and Assessment Team	11
2.4	Certification Body	11
2.5	Process of Stakeholder consultation	12-13
<b>3.0</b>	<b>ASSESSMENT FINDINGS</b>	14
3.1	Summary of findings	14-52
3.2	Status of Identified Noncompliance and Corrective Actions, Observations and Identified Positive Elements	52-60
3.3	Summary of Feedback Received from Stakeholders and Findings	61
<b>4.0</b>	<b>ASSESSMENT CONCLUSION AND RECOMMENDATION</b>	62
4.1	Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings	62
4.2	Intertek RSPO Certification Details for the PMU	63
<b>APPENDICES</b>		
Appendix A	Qualifications of the Lead Assessor and Assessment Team	64
Appendix B	Assessment Plan	65-66
Appendix C	Maps of location – Mill, Estate, Conservation and HCV areas	67-69
Appendix D	Photographs taken at the PMU	70
Appendix E	Time Bound Plan and Multiple Management Units	71

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 4 of 71

## 1.0 SCOPE OF ASSESSMENT

### 1.1 Introduction

This Initial Assessment was conducted on the Plantation Management Unit (PMU), Bukit Kepayang Grouping of FGV Holdings Berhad (hereafter abbreviated as FGVHB), from **06-08 Aug 2018**, to assess the organization's operations of the mill and its supply bases for compliance against the RSPO Principles and Criteria (Apr 2013), Malaysian National Interpretation (MYNI 2014) and the RSPO Supply Chain Certification Standard (Jun 2017) for the Palm Oil Mill.

The plantation management unit (PMU) or management unit is equivalent to a certification unit as defined in the RSPO Certification Systems Document. Each PMU consists of one mill (under Felda Palm Industries Sdn Bhd) and its supply base which is made up of estates owned and/or managed by FGV Plantations (Malaysia) Sdn Bhd. (FGVPM) / FGVHB.

### 1.2 Location (address, GPS and map) of palm oil mill and estates

The Bukit Kepayang Grouping consists of one (1) palm oil mill, namely **Bukit Kepayang Palm Oil Mill and one (1) estate** as indicated in Table 1 below, which includes the addresses and GPS locations of the mill and estate. The location maps are provided in **Appendix C**.

The estate is an FGVPM/FGVHB owned estate. There are no Felda Smallholders (settlers) in this PMU. The palm oil mill is operated by Felda Palm Industries Sdn Bhd (FPSB), a subsidiary company of FGVHB.

**Table 1: Address of Palm Oil Mill, Estate and GPS Location**

Name	Address	GPS Reference	
		Latitude	Longitude
FGV Bukit Kepayang POM (Capacity: 40 MT/hr)	Kilang Sawit Bukit Kepayang, Pejabat Pos Triang, Pahang Darul Makmur, Malaysia	3° 16' 11" N	102° 35' 45" E
Terapai 03 Estate	d/a Felda Mayam, 28220 Bera, Pahang Darul Makmur, Malaysia	3° 25' 51.98" N	102°46' 53.65" E

### 1.3 Description of supply base (fruit sources)

The supply base, i.e. FFB sources to the POM at Bukit Kepayang Grouping, are from the abovementioned estate of this PMU, FPSB estates, Felda estates, Outside Crop Producers (OCP) and smallholders. The FFB from the PMU estate are certified FFB. The FFB from the FPSB estates, Felda estates, OCP and smallholders are considered as non-certified FFB.

Details of the planted hectareage for the FFB supply for Bukit Kepayang Grouping are as shown in Table 2 below.

**Table 2: Estate Area Summary**

Estate	Area Summary (ha): Year 2018	
	Certified (Titled) Area	Planted Area
Terapai 03 Estate	2,552.42	2,034.90
<b>Total:</b>	<b>2,552.42</b>	<b>2,034.90</b>

Notes:

1. This Assessment covered the overall land use for oil palm plantation areas, and the identified Conservation areas including any HCV areas (if any) marked out at the estates.
2. Since there is only one estate in this PMU, it was selected for this Assessment. (For this case, there is non-applicability of the requirement for sampling of estates based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and any high conservation value areas).

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 5 of 71

### 1.4 Summary of plantings and cycle

The age profile of the Terapai 03 Estate is as shown in Table 3.

**Table 3: Age Profile of Planted Oil Palm as at Dec 2017**

Estate Phase / Block	Year of Planting	Cycle of Planting	Mature OP (ha) – Above 3 years	Immature OP (ha) – 3 years & below	Total (ha) Planted
PM98B / 5-16	1990	1 <sup>st</sup>	901.08		901.08
PM98C / 17-26	1990	1 <sup>st</sup>	730.84		730.84
PR16D / 1-4	2016	2 <sup>nd</sup>		402.98	402.98
		<b>Total</b>	1,631.92	402.98	2,034.90

### 1.5 Summary of Land Use, Conservation and HCV Areas

The summary of Land Use, Conservation and HCV Areas as identified in Bukit Kepayang Grouping during this assessment is as shown in Table 4 below:

**Table 4: Conservation and HCV Areas**

#	Statement of Land Use (Ha)	As at Dec 2017 Hectarage (Ha)
<b>1</b>	<b>Planted Area (ha) – Oil Palm</b>	2,034.90
	- Mature	1,631.92
	- Immature	402.98
<b>2</b>	<b>Conservation Area (ha)</b>	
	- comprising buffer zones along small streams, hilly areas, swampy and unplatable areas	14.95
<b>3</b>	<b>HCV Area (ha)</b>	
	- comprising buffer zones near forest reserves, water catchments, burial & religious sites	0

### 1.6 Other certifications held and Use of RSPO Trademarks

Presently Bukit Kepayang Grouping holds valid ISO 9001, ISO 14001 and OHSAS 18001 certifications for the Palm Oil Mill. The RSPO's trademarks and logo are not used by the PMU audited. Instructions for use were provided and acknowledged by the PMU through a signed Memorandum of commitment agreeing to adhere to the latest "RSPO Rules on Communications & Claims" during the assessment.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 6 of 71

### 1.7 Organizational information / Contact Person

Name: Norazam Abdul Hameed  
Designation: Head of Plantations Sustainability Department (PSD)  
Full Address:  
FGV Holdings Berhad (800165-P)  
(Formerly known as Felda Global Ventures Holdings Berhad)  
Level 20, West Wisma FGV, Jalan Raja Laut  
50350 Kuala Lumpur, Malaysia  
Tel: +603 2789 0000  
Fax: +603 2789 0001  
Email: norazam.ah@fgvholdings.com

Name: Anthonius Sani  
Designation: Senior Manager  
Plantations Sustainability Department (PSD)  
Full Address:  
FGV Holdings Berhad (800165-P)  
(Formerly known as Felda Global Ventures Holdings Berhad)  
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## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 7 of 71

### 1.8 Tonnages Verified for Certification

1.8.1 The breakdown of all the suppliers and their tonnages of FFB supplied to the POM at Bukit Kepayang Grouping based on the **actual for the past 12 months (Jan – Dec 2017)** is as in Table 5 below:

**Table 5: Tonnages Verified for Certification (Jan – Dec 2017)**

#	Estate /Supplier	FFB Received (MT)	Main Receiving Palm Oil Mill	RSPO P&C Certification
<b>A</b>	<b>PMU Estates: Certified:</b>			
1.	Terapai 03 Estate	22,819.61	Bukit Kepayang POM	Intertek
	<b>Sub-total: Certified</b>			
<b>B</b>	<b>FTPSB estates, Felda estates, Outside Crop Producers (OCP): Non-certified:</b>			
2.	FTP BUKIT KEPAYANG	7,156.87		
3.	PTS MAYAM	7,717.81		
4.	FTP PURUN	10,255.79		
5.	FTP KUMAI	256.68		
6.	FELDA BUKIT KEPAYANG	25,499.57		
7.	FELDA MAYAM	25,499.57		
8.	FELDA PURUN	30,687.22		
9.	LADANG TERAPAI 1	24.39		
10.	LADANG BERA SELATAN 01	22.75		
11.	LADANG BERA SELATAN 04	15.88		
12.	KILANG SAWIT FELCRA BHD. MARAN	278.27		
13.	TAI ICHI ENTERPRISE SDN BHD	22,012.40		
14.	RISDA PLANTATIONS SDN BHD	298.07		
15.	KIM MA OIL PALM (TRANSPORT) SDN BHD	2,994.40		
16.	BKF SDN. BHD	3,796.99		
17.	BAKTI MAS BINA SDN BHD	33,886.67		
18.	KOOP. PENANAM SAWIT MAMPAN DAERAH BERA BERHAD	1,238.98		
19.	NONE TEGUH ENTERPRISE	5,580.14		
	<b>Sub-total from FTPSB Estates, Felda Estates, OCP: Non-certified</b>	177,222.45		
<b>C</b>	<b>Smallholders: Non-certified</b>			
1	MOHD TAHIR BIN MALAKA	237.17		
2	MOHAMAD BIN NEHIT	169.46		
3	MOHD SANUSI BIN SENIK	3,001.91		
4	WAN ABD SAMAT BIN WAN SULAIMAN	530.60		
5	SAARI BIN PUTAL	52.98		
6	JALIAH BINTI DOLLAH	948.38		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 8 of 71

7	MANOLAN BIN MOHAMAD	102.33		
	<b>Sub-total from Smallholders: Non-certified</b>	5,042.83		
	<b>Sub-total: Non-certified</b>	182,265.28		
	<b>GRAND TOTAL</b>	205,084.89		

**1.8.2** Total annual volumes / tonnages of FFB supplied from the supply base to Bukit Kepayang Grouping POM during the previous period, current assessment period and projected period are as follows:

**Table 6: Annual Tonnages of FFB**

Estate / Supplier	FFB Processed in Jan – Dec 2017 - Actual		FFB Processed in Jan – Dec 2018 - Actual + Projected		FFB Processed for Jan – Dec 2019 - Projected	
	MT	%	MT	%	MT	%
Certified FFB from Terapai 03 Estate	22,819.61	11.13	18,748.86	9.98	18,000.00	9.40
Non-certified FFB from FTPSB estates, Felda estates, OCP	177,222.45	86.41	161,260.00	85.81	167,400.00	87.46
Non-certified FFB from smallholders	5,042.83	2.46	7,920.00	4.21	6,000.00	3.13
<b>Total</b>	205,084.89	100.00	187,928.86	100.00	191,400.00	100.00
SCCS Model for POM	MB		MB		MB	

**1.8.3** The annual tonnages of CPO and PK production by the PMU Grouping as assessed and verified during the current assessment are detailed as shown in Table 7 below:

**Table 7: Annual Tonnages of CPO and PK (produced from FFB from own estate)**

POM	Jan – Dec 2017 - Actual		Jan – Dec 2018 - Actual + Projected		Jan – Dec 2019 - Projected	
<b>Total own FFB Processed (MT)</b>	22,819.61		18,748.86		18,000.00	
<b>Total CPO Production (MT)</b>	4,415.59	% OER: 19.35	3,654.15	% OER: 19.49	3,618.00	% OER: 20.10
<b>Total PK Production (MT)</b>	1,193.47	% KER: 5.23	1,006.81	% KER: 5.37	945.00	% KER: 5.25

Note: The POM has established and maintained procedures for the book keeping and monitoring requirements for the CPO at the mill. It is verified the POM has procedures for the '**Mass Balance – MB**' Model in accordance with the RSPO Supply Chain Certification Standards (SCCS) requirements. Verified activities and checked items for the **SCCS of the POM are reported in section 3.1.1.**

### 1.9 Time Bound Plan and Multiple Management Units

Previously, FGVHB and FELDA were under the same RSPO membership number 1-0013-04-000-00 for RSPO P&C certification of their PMUs. On 03 May 2016, FGVHB and FELDA voluntarily withdrew from RSPO P&C certification for all the PMUs subsequent to the allegations and complaints regarding labour issues. Details may be obtained from the following web-links and RSPO's Complaints Tracker website:

1. [FGV's response to the Wall Street Journal \(WSJ\) article, 27 Jul. 2015](http://www.feldaglobal.com/fgvs-response-to-the-wall-street-journal-wsj-article/)
2. [FGV Clarifies on Wall Street Journal Allegations of Abuses of Malaysian Plantations, 30 Aug. 2015.](#)



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 9 of 71

<http://www.feldaglobal.com/fgv-clarifies-on-wall-street-journal-allegations-of-abuses-of-malaysian-plantations/#sthash.vsdSEPqp.dpuf>

3. <http://www.rspo.org/news-and-events/news/3rd-update-rspo-response-on-malaysian-plantations-published-by-the-wall-street-journal-on26th-July-2015>
4. <https://www.rspo.org/members/complaints/status-of-complaints/view/85>

Intertek is also monitoring the status of the following complaint regarding land conflict at Lahad Datu, Sabah against FELDA filed by RSPO on 16 Feb 2015: Lembaga Kemajuan Tanah Persekutuan (FELDA) /Orang Dusun Desa Begahak: <https://www.rspo.org/members/complaints/status-of-complaints/view/79>

FGVHB has taken actions to resolve the issues resulting from the complaints. Consequently, FGVHB obtained a separate RSPO membership on 27 Dec 2016 and its PMUs are no longer under the RSPO membership of FELDA. FGVHB has submitted its Time Bound Plan for the certification of the PMUs over a period of 5 years. Currently, a number of the plantation management units under FGVHB is undergoing the RSPO certifying process in accordance with its Time Bound Plan to achieve RSPO certification for all its units within 5 years by 2021.

FGVHB Group operates 68 palm oil mills and 143 oil palm estates throughout Malaysia. FGVHB has only 2 estates groupings in Indonesia without palm oil mill. These mills and estates are under the management control of FGVHB. Details of the present status of the Time Bound Plan as submitted by FGVHB are in **Appendix E**.

Intertek was able to verify that FGVHB had conducted internal audits on the first group of 16 units in Peninsular Malaysia and 7 units in Sabah listed in the Time Bound Plan over the period Jan to Mar 2017 as required under Clause 4.5 (Minimum requirements for multiple management units) of the RSPO Certifications Systems for Principles & Criteria (Jun 2017) and declared that there are only potential labour issues such as the need for a clear understanding of employment contracts by foreign workers, pay slip discrepancies and suitable housing.

FGVHB has also declared on 28 Apr 2017 a recent article by Chain Reaction Research Article entitled "THE CHAIN: EXCLUSIVE - FGV RISKS SUPPLY CHAIN EXCLUSION OVER REPEAT OFFENSES - SEE VIDEO"; AND 2. VALUEWALK ARTICLE DATED 19 APRIL 2017 ENTITLED "EXCLUSIVE - FELDA GLOBAL VENTURE RISKS REVENUE BY VIOLATING BOARD'S POLICIES - SEE DRONE VIDEO".

<http://ir.chartnexus.com/fgv/onenew.php?id=77407&type=Announcement>

The above-mentioned articles alleged that, inter alia, FGV Holdings Berhad ("FGVHB") had cleared peat forest, contrary to its policies and industry standards, on its PT Temila Agro Abadi ("PT TAA") plantation in West Kalimantan, Indonesia.

FGVHB had also updated its declaration on the new planting and new acquisition of plantation units / lands and the progress of the said activities are ongoing. These have been reviewed and updated in the Time Bound Plan as submitted by FGVHB.

Based on Intertek's review progress made to-date, FGVHB is considered to have maintained its commitment under Clause 4.5 (Minimum requirements for multiple management units) of the RSPO Certifications Systems for Principles & Criteria (Jun 2017) to ensure that the issues are being resolved through an agreed process.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 10 of 71

### 1.10 Abbreviations Used

BOMBA	Fire Services Department	IPM	Integrated Pest Management
CB	Certification Body	ISCC	International Sustainability & Carbon Certification
CHRA	Chemical Health & Risk Assessment	IUCN	International Union for Conservation of Nature
CPO	Crude Palm Oil	JAS	Jabatan Alam Sekitar
CSDS	Chemical Safety Data Sheets	JKKP	Jabatan Kesihatan dan Keselamatan Pekerja
CSPO	Certified Sustainable Palm Oil	KER	Kernel Extraction Rate
CSPK	Certified Sustainable Palm Kernel	LTA	Lost Time Accidents
DOE	Department of Environment	MPOB	Malaysia Palm Oil Board
DOSH	Department of Occupational Safety and Health	MSDS	Material Safety Data Sheets
EFB	Empty Fruit Bunch	MTCS	Malaysia Timber Certification Scheme
EHS	Environmental Health & Safety	NCR	Non-Conformance Report
EIA	Environmental Impact Assessment	NGO	Non-Government Organization
ETP	Effluent Treatment Plant	OER	Oil Extraction Rate
FASSB	Felda Agricultural Services Sdn Bhd	OHS	Occupational Health & Safety
FELDA	Federal Land Development Authority	PEFC	Programme for the Endorsement of Forest Certification
FFB	Fresh Fruit Bunch	PK	Palm Kernel
FGVHB	FGV Holdings Berhad	PMU	Plantation Management Unit
FGVPM	FGV Plantations (Malaysia) Sdn Bhd	POM	Palm Oil Mill
FTPSB	Felda Tekno Plant Sdn Bhd	POME	Palm Oil Mill Effluent
GAP	Good Agriculture Practice	PPE	Personal Protective Equipment
HCV	High Conservation Values	SCCS	Supply Chain Certification Standard
Intertek	Intertek Certification International Sdn Bhd	SOP	Standard Operating Procedures

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 11 of 71

## 2.0 ASSESSMENT PROCESS

### 2.1 Assessment Methodology, Plan and Site Visits

Since 05 Jul 2018, Intertek has initiated public communications and notifications and invited the relevant stakeholders before the assessment to provide feedback and comments on their concern (if any) on Bukit Kepayang Grouping regarding the environmental, biodiversity, community development and other relevant issues.

From **06-08 Aug 2018**, the Assessment team conducted the Assessment in which the single estate (viz., FGV Terapai 03 estate) of Bukit Kepayang Grouping as well as the palm oil mill were assessed for compliance against the RSPO requirements. Since there is only one estate in the PMU, there is no sampling of estates and this estate shall be assessed at every assessment.

During the on-site assessment, relevant documents and records, including Standard Operating Procedures (SOP), management plans, hectareage development, FFB, CPO and PK production, oil palm age profile, operational controls and measures, operational data and records, training records, etc. were reviewed and verified for compliance. The Assessment team using the process approach auditing technique covered the palm oil mill and estate operations, agricultural practices, pest management, pesticide and fertilizer application, occupational health and safety, social accountability, environment and other requirements. Stakeholders' interviews were conducted during the assessment and feedback obtained as part of information and evidence gathering. (See section 2.5 Process of stakeholder consultation).

Bukit Kepayang Grouping POM was also assessed against the requirements of RSPO Supply Chain Certification Standard for CPO mill. This part of the assessment covered the verification of implementation of documented procedures and availability of records to demonstrate compliance against all the elements for the 'Mass Balance' - MB Model requirements. These include documented procedure, purchasing and goods in, record keeping, sales and goods out, processing, monitoring and traceability of the CSPO and CSPK quantities, training for staff and claims. The details of the Assessment Plan (actual on-site) are provided in **Appendix B**.

After completion of the on-site field assessment, Intertek also performed the evaluation of conformity against the RSPO Certification System requirements for CB. The assessment report, findings and associated documents were evaluated through an independent review by the Intertek Internal Technical Reviewer/Panel and also submitted to another independent External Peer Reviewer for comments prior to the approval of this report and final decision on the certification by Intertek.

### 2.2 Date of next scheduled visit

The next scheduled visit will be the Annual Surveillance Assessment which will be carried out within a 12-month period prior to the annual certificate expiry date.

### 2.3 Qualifications of the Lead Assessor and Assessment Team

Competency details of the Lead Assessor and Assessment Team are given in **Appendix A**.

### 2.4 Certification Body

Intertek Certification International Sdn Bhd is part of the Intertek Group, which is a worldwide technical services organization dedicated to reducing clients' risks by providing technical inspection services, management system certification in quality, environmental, occupational safety & health and product certification, RSPO SCC, ISCC, Marine Sustainability Chain-of-Custody, MTCS and PEFC Chain-of Custody certification in applicable industry sectors including the agricultural and forestry sectors. Intertek operates globally providing clients with a wide-ranging technical inspection expertise and access to thousands of skilled specialists worldwide. Intertek Group's certification business is ranked in the top 10 worldwide, and is available globally offering certification across a wide range of industries.

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 12 of 71

## 2.5 Process of stakeholder consultation

Stakeholder consultations began with notification of the upcoming assessment through the websites of RSPO, FGVHB and Intertek. E-mails were sent to applicable stakeholders including government agencies, NGOs and local communities. E-mails and telephone enquiries were made prior to the actual assessment and stakeholder's response and feedback received were followed up accordingly.

During the assessment, stakeholders were interviewed and their feedbacks were recorded. Among the stakeholders consulted were workers, trade union leaders, women representatives; local community leaders, representatives of government departments / agencies, NGOs, suppliers and contractors.

Details on stakeholders' feedback, PMU response and Intertek verification / comments are provided **in section 3.3**.

Among the list of key stakeholders consulted was the following:

### **Government Agencies (by emails)**

1. Department of Lands And Mines
2. Department of Environment
3. Department of Forestry Peninsular Malaysia
4. Department of Immigration
5. Department of Irrigation & Drainage
6. Department of Labour
7. Department of Occupational Safety & Health
8. Department of Orang Asli Affairs
9. Department of Wildlife & National Parks

### **Government Agencies - State (by emails)**

10. Department of Environment - Pahang
11. Department of Forestry - Pahang
12. Department of Immigration – Pahang
13. Department of Irrigation & Drainage - Pahang
14. Department of Labour – Pahang
15. Department of Occupational Safety & Health – Pahang
16. Department of Wildlife & National Parks – Pahang
17. Land and Mines Office – Pahang
18. Pertubuhan Keselamatan Sosial (SOCISO) – Pahang

### **Statutory Bodies (by emails)**

19. Malaysian Palm Oil Board (MPOB)
20. Malaysian Palm Oil Board (MPOB) - Southern Region
21. Malaysia Palm Oil Association (MPOA)
22. Malaysia Palm Oil Association Kuala Lumpur (MPOA)

### **NGOs (by emails)**

23. All Women's Action Society (AWAM)
24. BCSDM - Business Council for Sustainable Development in Malaysia
25. Borneo Child Aid Society (Humana)
26. Borneo Resources Institute Malaysia (BRIMAS)
27. Borneo Rhino Alliance (BORA)
28. Center for Orang Asli Concerns COAC
29. Centre for Environment; Technology and Development; Malaysia - CETDEM
30. Consumers Association Of Penang - CAP
31. EcoKnights
32. ENO Asia Environment
33. Environmental Management and Research Association of Malaysia (ENSEARCH)
34. Environmental Protection Society Malaysia (EPSM)
35. Friends of the Earth; Malaysia
36. Future in Our Hands Society; Malaysia
37. Global Environment Centre
38. Institute of Foresters; Malaysia (IRIM)
39. JUST - International Movement for a Just World
40. Malaysian CropLife & Public Health Association (MCPA)
41. Malaysian Environmental NGOs - MENGO
42. Malaysian National Animal Welfare Foundation - MNAWF
43. Malaysian Nature Society Pahang
44. Malaysian Plant Protection Society (MAPPS)

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 13 of 71

45. National Council of Welfare & Social Development Malaysia - NCWSDM
46. National Union of Plantation Workers (NUPW)
47. Partners of Community Organisations (PACOS)
48. Pesticide Action Network Asia and the Pacific (PAN AP)
49. Proforest - South East Asia Regional Office
50. Sabah Wetlands Conservation Society (SWCS)
51. SUARAM - Suara Rakyat Malaysia
52. SUHAKAM - National Human Rights Society - Persatuan Kebangsaan Hak Asasi Manusia
53. Sustainable Development Network Malaysia (SUSDEN)
54. Tenaganita Sdn Bhd
55. The Malaysian Forum of Environmental Journalist (MFEJ)
56. TRAFFIC - the wildlife trade monitoring network
57. TRAFFIC Southeast Asia - Wildlife trade & trafficking monitoring programme
58. Transparency International - Malaysian Chapter
59. Treat Every Environment Special Sdn Bhd. (TrEES)
60. UNION - AMESU
61. United Nations Development Programme - UNDP Malaysia
62. Wetlands International (Malaysia)
63. Wild Asia Sdn Bhd
64. World Wide Fund for Nature (WWF) Malaysia

### **Local community (On-site interviews)**

65. Gender representatives
66. Workers representatives
67. Suppliers / Contractors
68. Village Heads

**3.0 ASSESSMENT FINDINGS**

**3.1 Summary of findings**

**Principle 1: Commitment to transparency**

<p><b>Criterion 1.1</b>                  Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>1.1.1</b> There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.  <b>Minor Compliance</b></p>	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr12 Issue 1 Rev 0 dated 01/06/2016 for providing adequate information on environmental, social and legal issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.                  Date of public notification of this assessment of the PMU was made on 05 Jul 2018. No request for information from stakeholders for this PMU.</p>	Complied
<p><b>1.1.2</b> Records of requests for information and responses shall be maintained.  <b>Major Compliance</b></p>	<p>Implementation of above procedure was evident from records of visits, inspections and correspondence with stakeholders such as DOSH (JKKP), DOE (JAS), BOMBA, MPOB and Energy Commission (“Suruhanjaya Tenaga”).                  The PMU maintained a site specific list of internal stakeholders, external stakeholders, government departments/agencies, consultants, contractors, suppliers, transporters, etc. The list of stakeholders is to be updated whenever necessary.                  The POM and estate have conducted internal and external stakeholders’ consultation records of stakeholders’ feedback maintained (positive and negative) and management action plans recorded.</p>	Complied
<p><b>Criterion 1.2</b>                  Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>1.2.1</b> Management documents that are made available to the public shall include, but are not necessarily limited to:  <b>Major Compliance</b></p>	<p>The organization’s policies declared that upon request, the following types of mandatory documents are available to the public:</p> <ul style="list-style-type: none"> <li>• land titles/user rights,</li> <li>• occupational health and safety plan,</li> <li>• plans and impact assessments relating to environment and social impacts,</li> <li>• HCV documentation,</li> <li>• pollution prevention plans,</li> <li>• details of complaints &amp; grievances,</li> <li>• negotiation procedures</li> <li>• continuous improvement plan</li> <li>• Public summary of certification assessment report.</li> <li>• Human Rights Policy.</li> </ul>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 15 of 71

	<p>These publicly available documents include key indicators of performance like waste management and disposal plans for the mill and estate.</p> <p>Also, Continual Improvement Action Plans include targets for waste reduction and pollution prevention.</p>	
<ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> </ul>	<p>Copies of all land titles were available and have been maintained at the POM and estate. HQ kept the original copies.</p>	Complied
<ul style="list-style-type: none"> <li>• Occupational health and safety plans (Criterion 4.7);</li> </ul>	<p>Occupational Safety and Health (OSH) Plan that cover OSH Policy and risk assessment (HIRARC) was documented and implemented for both mill and estate.</p>	Complied
<ul style="list-style-type: none"> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> </ul>	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr1 Issue 1 Rev 0 dated 01/06/2016 for Environmental Aspect and Impact Assessment.</p> <p>Environmental aspect and impact assessment conducted for the POM and estate and its action plan documented and implemented for both mill and estate.</p> <p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr21 Issue 1 Rev 0 dated 01/06/2016 for Social Impact Assessment. Social impact assessment carried out. Positive and negative impacts and action plan documented.</p>	Complied
<ul style="list-style-type: none"> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> </ul>	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr17 Issue 1 Rev 0 dated 01/06/2016 for identification of HCV and Biodiversity.</p> <p>HCV and Biodiversity Survey was conducted by FGVHB Sustainability Officer in Jul 2018 on the Terapai 03 estate. Action Plan documented for biodiversity in the estate with specific actions to be taken by the Estate Manager / Assistant Manager.</p>	Complied
<ul style="list-style-type: none"> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> </ul>	<p>Documented pollution prevention and reduction plans include measures for pollution control (smoke emission, POME / effluent discharge), pesticides reduction, schedule wastes (chemicals, drums, tyres, used PPE, hydraulic oil) and organic/domestic wastes disposal, reuse and recycling (paper, glass, scrap iron).</p>	Complied
<ul style="list-style-type: none"> <li>• Details of complaints and grievances (Criterion 6.3);</li> </ul>	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr4 Issue 1 Rev 0 dated 01/06/2016 for complaints and grievances. As to date, the PMU has not received any complaints from external stakeholders.</p> <p>There is also Complaints Box provided in the mill and estate with a Complaints and Grievances Form for recording any complaints/ grievances. A Complaint Book ("Buku Aduan") is also maintained in the POM and estate. Logbook entries for the period concerned found to be mainly complaints from employees relating to repairs on housing/quarters. Actions found to be taken to address the complaints and recorded in the Complaints Book.</p>	Complied
<ul style="list-style-type: none"> <li>• Negotiation procedures (Criterion 6.4);</li> </ul>	<p>The PMU has established a documented procedure ML-1A/L2-Pr12 Issue 1 Rev 0 dated 01/06/2016 for participatory communication and negotiation. No case of land claims in the PMU.</p>	Complied
<ul style="list-style-type: none"> <li>• Continual improvement plans (Criterion 8.1);</li> </ul>	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr7 Issue 1 Rev 0 dated 01/06/2016 for continual improvement.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 16 of 71

• Public summary of certification assessment report;	Public summary of certification assessment reports are available from the company upon request.	Complied
• Human Rights Policy (Criterion 6.13).	The Human Rights Policy (“Polisi Hak Asasi Manusia”) has been documented and signed by the President and CEO of FGVHB on 01/06/2014. The Policy had been communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the POM and estate.	Complied
<b>Criterion 1.3</b> Growers and millers commit to ethical conduct in all business operations and transactions.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>1.3.1</b> There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. <b>Minor Compliance</b>	The Policy of commitment to a Code of Ethical Conduct and Integrity has been documented and signed by the President and CEO of FGVHB on 01/06/2014. The Policy had been communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the POM and estate.	Complied

### Principle 2: Compliance with applicable laws and regulations

<b>Criterion 2.1</b> There is compliance with all applicable local, national and ratified international laws and regulations.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>2.1.1</b> Evidence of compliance with relevant legal requirements shall be available. <b>Major Compliance</b>	A Register of Legal and Other Requirements covering the applicable local and international laws and regulations has been compiled for the mill and estate. A Compliance Checklist is used by the mill and estate for verification of compliance with legal requirements. The relevant laws and legislations identified and listed cover safety and health, environment, pollution management, chemical handling, usage & storage, schedule waste management, labour laws, Unions, EPF, SOCSO, Housing and Amenities.  There were no cases of any violation or actions imposed by relevant authorities. Statutory returns to relevant authorities found to be in compliance. Form JKPP8 for the reporting of incidences and accidents to DOSH and the Quarterly Return Form as per First Schedule of the Environmental Quality (Prescribed Premises) (Crude Palm-Oil) Regulations, 1977 to DOE verified to be submitted.  Based on the site observations, interviews and records checking at the POM and estate, there were evidences of compliance with the relevant laws, regulations, local and international laws.  Licenses and permits (License for Foreign Workers Employment, Workers Wages Deduction Permit, License for Controlled Items – Diesel and Fertilizer, MPOB license, DOSH Certificate, DOE license, BOMBA Fire Certificate, Energy Commission License, etc.) were monitored for their expiry dates and found to be renewed and valid.  Environmental Quality Act 1974 and Environmental Quality (Scheduled Wastes) Regulations 2005: Scheduled wastes such as hydraulic and used motor oils, rags, empty chemical	



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 17 of 71

	<p>and lubricants containers collected at six monthly intervals by DOE licensed contractor.</p> <p>Weight and Measures Act 1972, regulations 16, 28A, 45): Weighbridges were duly calibrated.</p> <p>Factory and Machinery Act 1967, Regulations 1970: Steam engineers (Grade 1 and 2), boilermen and electricians were noted to be with valid certificates from relevant authorities (DOSH and Energy Commission). The POM has maintained a boiler register that indicate the date of commission, cleaned, inspected, tested or repaired. Valid certificates of fitness for boilers, sterilizers, air receivers, thermal deaerator, steam separator, vacuum oil dryer, etc. issued by DOSH.</p> <p>Valid license for diesel generators issued by Energy Commission (“Suruhanjaya Tenaga”).</p> <p>Valid licenses for authorized gas tester, authorized entrant and standby by person for confined space activities in POM.</p> <p>Occupational Health and Safety Act 1994 – safety and health meetings to be conducted at quarterly intervals. Noise Monitoring Report is available.</p> <p>Legal documents (work permits, passports) of foreign workers in the estate. Insurance coverage is available for foreign workers in the estate. There are no foreign workers employed in the POM.</p> <p><b>An observation was raised as follows:</b></p> <p><b>Location: Terapai 03 Estate</b></p> <p><b>Procedure on handling Absconded workers developed by FGVHB Human Resources Department “Pekerja Lari Meninggalkan Ladang Secara Tidak Sah” (FGV/JTK/POL/001) need to include a process step to report absconded workers to the Immigration Department.</b></p>	<p><b>OBS#</b> <b>JMD-01</b></p>
<p><b>2.1.2</b> A documented system, which includes written information on legal requirements, shall be maintained. <b>Minor Compliance</b></p>	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr6 Issue 1 Rev 0 dated 01/06/2016 for identifying, determining, reviewing and updating applicable legal and other requirements.</p> <p>It included the listing of laws and regulations that were being monitored for changes.</p>	<p>Complied</p>
<p><b>2.1.3</b> A mechanism for ensuring compliance shall be implemented. <b>Minor Compliance</b></p>	<p>Monitoring mechanism was done through a yearly evaluation check by the POM and estate against the items in the Legal Register.</p> <p>The POM and estate have also conducted internal audits on 11/07/2018 and 09-10/07/2018 respectively for determining compliance of its operations with RSPO requirements and legal requirements. Records were maintained.</p>	<p>Complied</p>
<p><b>2.1.4</b> A system for tracking any changes in the law shall be implemented. <b>Minor Compliance</b></p>	<p>Tracking of changes in the relevant laws are communicated and received from HQ. Monitoring of changes to the applicable laws and regulations carried out through periodical review in accordance with the documented procedure ML-1A/L2-Pr6 Issue 1 Rev 0 dated 01/06/2016 and documented monitoring flowchart “Sistem Semakan Perubahan Undang-undang”.</p> <p>The Legal Requirements Register was verified to be reviewed for the POM and estate on 18/07/2018 and 07/07/2018 respectively for any relevant updates.</p>	<p>Complied</p>
<p><b>Criterion 2.2</b></p>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 18 of 71

The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.		
Indicators	Findings and Objective Evidence	Compliance
<p><b>2.2.1</b> Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available.</p> <p><b>Major Compliance</b></p>	<p>Documented evidence of payments of quit rent for the POM and estate to the district land authorities of Pahang. The POM has a land title registered on 22/05/1998 by the State of Pahang with a 66 years lease expiring on 21/05/2064 of a land area of 7.178 ha.</p> <p>Terapai 03 estate consisted of 15 land titles for a total area of 2552.4218 ha issued by the Bera District Land Office, State of Pahang. The lands are with a lease of 99 years for the cultivation of oil palms with expiry on 06/12/2100 or 16/02/2103 for the various land titles.</p> <p>The land lease comply with legal requirements and does not infringe on any legal rights that require free, prior and informed consent (FPIC).</p>	Complied
<p><b>2.2.2</b> There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves.</p> <p><b>Minor Compliance</b></p>	<p>Locations of several boundary stones and markers were visited and verified to be within the perimeters of the estate.</p> <p>On-site verification confirmed that there has been no planting beyond the legal demarcated boundary areas of the mill and estate.</p>	Complied
<p><b>2.2.3</b> Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).</p> <p><b>Minor Compliance</b></p>	<p>There has been no dispute on the land rights in the PMU.</p> <p>As such, the process of fair compensation and FPIC is currently not required to be applied for the PMU.</p>	Complied
<p><b>2.2.4</b> There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.</p> <p><b>Major Compliance</b></p>	<p>The PMU has established a documented procedure ML-1A/L2-Pr10 Issue 1 Rev 0 dated 01/06/2016 for the identification and resolution of land conflicts.</p> <p>The procedure covers:</p> <ul style="list-style-type: none"> <li>(a) Local community rights and customary rights.</li> <li>(b) Resolution plan and compensation.</li> <li>(c) Compliance and boundary stone demarcation.</li> </ul> <p>There is currently no land dispute in the PMU.</p>	Not applicable
<p><b>2.2.5</b> For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities and relevant authorities where applicable).</p> <p><b>Minor Compliance</b></p>	<p>No land disputes in the PMU. As such the process of participatory mapping is not applicable for verification of implementation.</p>	Not Applicable
<p><b>2.2.6</b> To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p>	<p>No evidence that the palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 19 of 71

<b>Major Compliance</b>		
<p><b>Criterion 2.3</b>            Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>2.3.1</b> Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).  <b>Major Compliance</b></p>	<p>Land leases for POM land and estate land verified to be in order.             The lands are not encumbered by any customary lands or user rights and therefore the process of participatory mapping is not required.</p>	<p>Complied</p>
<p><b>2.3.2</b> Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:            a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;            b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;            c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.  <b>Minor Compliance</b></p>	<p>Records are available to show that the land lease comply with legal requirements and does not infringe on any legal rights that require free, prior and informed consent (FPIC).</p>	<p>Complied</p>
<p><b>2.3.3</b> All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.  <b>Minor Compliance</b></p>	<p>No cases of land claims in this PMU.            As such this process is not applicable for verification.</p>	<p>Not Applicable</p>
<p><b>2.3.4</b> Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.  <b>Major Compliance</b></p>	<p>This process is not applicable during current assessment.</p>	<p>Not Applicable</p>

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 20 of 71

### Principle 3: Commitment to long-term Economic & Financial Viability

<b>Criterion 3.1</b>																
There is an implemented management plan that aims to achieve long-term economic and financial viability.																
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>														
<p><b>3.1.1</b> A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p><b>Major Compliance</b></p>	<p>Palm Oil Mill has documented a 3 years (2018, 2019 and 2020) Management Plan with details of budget and costs of operation that include the following:</p> <ul style="list-style-type: none"> <li>(1) Mill extraction rates = OER and KER trends;</li> <li>(2) Cost of Production = Cost/MT CPO trends;</li> <li>(3) Forecast prices;</li> <li>(4) Financial indicators = Cost of labour &amp; services, cost of supplies and equipment, depreciation costs, salary costs, management costs, cost of materials, etc.).</li> <li>(5) Budget for Environmental, Social, Safety &amp; Health and Training.</li> </ul> <p>The estate have documented a 3 years (2018, 2019 and 2020) Management Plan with details of budget and costs of operation that include the following:</p> <ul style="list-style-type: none"> <li>(1) Replanting program (planting materials are DxP seedling and cloned seedling);</li> <li>(2) Crop projection = FFB yield/ha trends;</li> <li>(3) Cost of Production = Cost/MT FFB trends;</li> <li>(4) Forecast prices;</li> <li>(5) Financial indicators = Cost of labour, cost of facilities, cost of materials, etc.).</li> </ul> <p>Crop and operation budget cover weeding, manuring, harvesting, collection and transporting, pruning, drains and roads.</p> <p>The budgets also include provisions for sustainability efforts and improvement programmes (environmental aspects on road maintenance, domestic waste collection, maintenance of buffer zones).</p> <p>Mill and Estate Managers monitor the operational performance against Key Performance Indications and targets (costs, FFB yields, quality, productivity, pesticides usage, fertilizers usage, etc).</p> <p>There is evidence of monitoring of costs against budget to achieve specified targets.</p> <p>Performances are discussed in the monthly meetings held at the PMU and issues and actions needed are recorded for follow up in the next monthly meeting. The records of these meetings were available and verified during the audit.</p> <p>Monthly, quarterly, half-yearly and yearly reports are submitted to the GM of Zone/Wilayah.</p>	Complied														
<p><b>3.1.2</b> An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p><b>Minor Compliance</b></p>	<p>The replanting areas (ha) projected for 5 years are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Estate</u></th> <th style="text-align: center;"><u>2018</u></th> <th style="text-align: center;"><u>2019</u></th> <th style="text-align: center;"><u>2020</u></th> <th style="text-align: center;"><u>2021</u></th> <th style="text-align: center;"><u>2022</u></th> <th style="text-align: center;"><u>2023</u></th> </tr> </thead> <tbody> <tr> <td>Terapai 03</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">419.24 ha</td> <td style="text-align: center;">481.84 ha</td> <td style="text-align: center;">730.84 ha</td> </tr> </tbody> </table>	<u>Estate</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	Terapai 03	-	-	-	419.24 ha	481.84 ha	730.84 ha	Complied
<u>Estate</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>										
Terapai 03	-	-	-	419.24 ha	481.84 ha	730.84 ha										

**Principle 4: Use of appropriate best practices by growers and millers**

<b>Criteria 4.1</b>		
Operating procedures are appropriately documented, consistently implemented and monitored.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>4.1.1</b> Standard Operating Procedures (SOPs) for estates and mills shall be documented.  <b>Major Compliance</b></p>	<p>The POM has documented the following SOPs:</p> <ol style="list-style-type: none"> <li>1. Palm Oil Mill Operation Manual.</li> <li>2. Laboratory Operation Manual.</li> <li>3. Quality, Occupational Health &amp; Safety and Environmental (QOHSE) Manual and Procedures of Palm Oil Mill.</li> <li>4. Supply Chain Procedure Doc No. FGVP-MSPO SCCS Issue 3.0 Rev 3.0 (Effective 11/06/2018) SOP for Mill RSPO Supply Chain Certification System using the Mass Balance (MB) Model.</li> </ol> <p>The estate have the following SOPs:</p> <ol style="list-style-type: none"> <li>1. Sustainable Oil Palm Estate Operation Manual - The manual describes operational procedure of nursery practices, land preparation, planting practices, ground cover maintenance, roads, immature stage, harvesting, collection of bunches, manuring, pesticide application, pests &amp; diseases control. The SOP for pesticides specifies safe working practices and application of pesticides. It includes annual medical surveillance for pesticides operators.</li> <li>2. SOP for riparian zone management with specified buffer zones.</li> </ol> <p>Relevant Key Performance Indicators (KPIs) specified for quality, environment, safety and cost control.</p>	Complied
<p><b>4.1.2</b> A mechanism to check consistent implementation of procedures shall be in place.  <b>Minor Compliance</b></p>	<p>There is a mechanism to check the implementation of the SOPs. Records had been kept by the staff concerned for each operation to monitor the procedure and progress of work and these records would be checked by the Assistant Manager and the Manager regularly. These records had been verified to indicate satisfactory implementation during the visit.</p> <p>The POM and estate have also conducted internal audits on 11/07/2018 and 09-10/07/2018 respectively for determining compliance of its operations with RSPO requirements and legal requirements. Internal Audit Report sighted.</p>	Complied
<p><b>4.1.3</b> Records of monitoring and any actions taken shall be maintained and available, as appropriate.  <b>Minor Compliance</b></p>	<p>Records of monitoring and actions taken had been maintained for more than 12 months at the mill and estate. Overall, these records verified to be satisfactory.</p> <p>Daily Muster Chits were available at the estate and actual field activities were verified during on-site field inspection.</p> <p>Verified that harvesting, spraying and manuring activities were carried out as stated in the Muster Chits.</p>	Complied
<p><b>4.1.4</b> The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).  <b>Major Compliance</b></p>	<p>The POM maintained records on the origins of all third-party sourced Fresh Fruit Bunches (FFB), and it had been verified to be satisfactory.</p> <p>It had been verified from the records that the mill received FFB from the sole estate in the PMU (Terapai 03 Estate) and FFB (considered as uncertified) from other FTSPB estates, Felda estates, OCP and smallholders.</p>	Complied
<b>Criteria 4.2</b>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 22 of 71

Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.		
Indicators	Findings and Objective Evidence	Compliance
<p><b>4.2.1</b> There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.  <b>Minor Compliance</b></p>	<p>GAP for minimization of soil erosion and maintenance of soil fertility is maintained via the frond stacking and fertilizer application as per the recommendation provided by the Agronomist from Felda Agricultural Advisory Services Sdn. Bhd. (FASSB).</p> <p>These had been verified through the records for fertilizer application and observation during field visit. Evidences provided were verified as following good agricultural practices.</p> <p>Soil sampling and leaf sampling records provided guide for the fertilizer application and fertilizer recommendations had been properly followed at estate levels. Noted that proper herbicide spraying had also been done.</p>	Complied
<p><b>4.2.2</b> Records of fertiliser inputs shall be maintained.  <b>Minor Compliance</b></p>	<p>Records of fertilizer application at the estate were maintained and verified to be satisfactory.</p>	Complied
<p><b>4.2.3</b> There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.  <b>Minor Compliance</b></p>	<p>Leaf sampling and analysis had been carried out annually and soil sampling and analysis on a 5 year cycle to determine the nutrient levels. Fertilizer recommendations by the Agronomist for identified estate blocks to sustain the long term soil fertility and nutrient efficiency.</p> <p>Records of the sampling and analysis had been verified to be satisfactory.</p>	Complied
<p><b>4.2.4</b> A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues.  <b>Minor Compliance</b></p>	<p>EFB mulching not carried out in Terapai 03 estate due to its distance from the POM.</p> <p>There was no land application of POME at the estate in the PMU.</p>	Complied
<p><b>Criteria 4.3</b>  Practices minimise and control erosion and degradation of soils.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p><b>4.3.1</b> Maps of any fragile/marginal soils shall be available.  <b>Major Compliance</b></p>	<p>Based on the soil maps and field visit verification, there was no fragile soil or marginal soil existence on the estate. Soil types in the estate are as follows:  Bungor, Chempaka, Jempol, Kedah, Lating, Colluvium, Malacca, Marang, Musang, Serdang'</p>	Complied
<p><b>4.3.2</b> A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP.  <b>Minor Compliance</b></p>	<p>Planting terraces constructed on land with slope more than 6°. Records and maps on terraces constructed had been verified on the estate.</p> <p>Best Management Practices followed to control and minimize soil erosion and degradation during replanting or any activities involving earth disturbance. Steps taken for erosion control are soil stabilization, run-off control and sediment trapping to mitigate the disturbed earth entering waterways.</p> <p>There was no soil erosion noted during the visit. Leguminous cover crop, <i>macuna bracteata</i> was well established.</p>	Complied
<p><b>4.3.3</b> A road maintenance programme shall be in place.  <b>Minor Compliance</b></p>	<p>The main roads leading to the estate are maintained by the Public Works Department (Government Department).</p> <p>Estate roads were maintained in good and satisfactory condition. Road maintenance program verified to be established and implemented as seen in the records.</p>	Complied

<p><b>4.3.4</b> Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.  <b>Major Compliance</b></p>	<p>It was confirmed during assessment on site that there is no peat soil on the estate.</p>	<p>Complied</p>
<p><b>4.3.5</b> Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.  <b>Minor Compliance</b></p>	<p>It was confirmed during assessment on site that there is no peat soil on the estate.</p>	<p>Not Applicable</p>
<p><b>4.3.6</b> A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils).  <b>Minor Compliance</b></p>	<p>Based on the estate soil maps and visit to the estate, there were no other fragile and problematic soils on the estate.</p>	<p>Not Applicable</p>
<p><b>Criteria 4.4</b>  Practices maintain the quality and availability of surface and ground water.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>4.4.1</b> An implemented water management plan shall be in place.  <b>Minor Compliance</b></p>	<p>Documented water management plan verified to be in place for the POM. Source of water for POM is the river, Sungai Batu, which is located 5 km from the POM. The water is pumped from the river to a storage pond of 18,000 m<sup>3</sup> capacity near the POM.  <b>Location: Terapai 03 Estate</b>  <b>The documented water management plan for Terapai 03 Estate was found to be too general. The estate did not have a site specific water management plan that include the source of water supply and treatment for domestic water, the protection and sustainability of the water source, the two rivers (Sungai Mentenang and Sungai Terapai) passing through the estate and water conservation measures (such as potential rain water harvesting).</b>   Water for domestic consumption in the POM and estate is piped water supplied by the local water utility company, Jabatan Air Pahang. The treated water supply complies with the Ministry of Health Specification for Drinking Water, which include the requirement of 0 in 100 ml for E.Coli.</p>	<p>Minor NC#  OCL-01</p>
<p><b>4.4.2</b> Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.  <b>Major Compliance</b></p>	<p>Buffer zones had been maintained on both sides of streams in the estate as verified during on-site field inspection. No evidence of spraying around palms marked as boundary for the buffer zones.   Appropriate signages were placed with demarcation of buffer zone area. Workers are aware of the non-usage of chemicals within the buffer zone,   There was no construction of bunds/ weirs/dams across the streams or waterways passing through the estate.</p>	<p>Complied</p>
<p><b>4.4.3</b> Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6).  <b>Minor Compliance</b></p>	<p>Water samples were taken at monthly interval at the final discharge point of the palm oil mill effluent pond and at upstream and downstream of waterways. Tests conducted for pH, BOD, COD, Total Solids, Suspended Solids, Oil &amp; Grease, Ammonia Nitrogen and Total Nitrogen. Analysis results meet DOE requirements.   BOD levels had been in the range of 28 to 81 ppm for the period Apr 2017 to Mar 2018 with an average of 47 ppm.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 24 of 71

	The current allowable upper limit specified by D.O.E is < 100 ppm.	
<b>4.4.4</b> Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. <b>Minor Compliance</b>	Water usage in the mill from Jan-Dec 2017 ranged from 1.15 to 1.50 m <sup>3</sup> /mt FFB with an average usage of 1.25 m <sup>3</sup> /mt FFB. The level of water usage is within the industrial norm of 1.2 - 1.5 m <sup>3</sup> /mt FFB.	Complied
<b>Criteria 4.5</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>4.5.1</b> Implementation of Integrated Pest Management (IPM) plans shall be monitored. <b>Major Compliance</b>	IPM Plan includes the planting of beneficial plants and control of damage by rodents.  Programme for planting of beneficial plants such as <i>Cassia cobanensis</i> , <i>Turnera subulata</i> , <i>Antigonon leptopus</i> and records on areas planted had been verified together with the respective maps to be satisfactory.  Barn owl also used for the control of rodents. Barn owl census carried out and location maps were available. Rat damage monitored and records of rat baiting maintained.  Rhinoceros beetle census carried out. No cases of infestation by bagworms and rhinoceros beetle.	Complied
<b>4.5.2</b> Training of those involved in IPM implementation shall be demonstrated. <b>Minor Compliance</b>	IPM training conducted by for all those involved in IPM implementation and training records for staff and workers on IPM implementation were available for the estate.	Complied
<b>Criteria 4.6</b> Pesticides are used in ways that do not endanger health or the environment.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>4.6.1</b> Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. <b>Major Compliance</b>	Guidance Procedure ("Manual Lestari 1A – Doc. No. ML-1A/L3-GP 1 (0)") stated satisfactory justification on the use of specific agrochemicals. The PMU has an Approved List of Pesticides registered under the Pesticide Board of Malaysia. The types of chemicals used are as follows:  (1) Glyphosate isopropyl amine 41% - Roundup (2) Metsulfuron methyl 20% - Juru (3) Triclopyrbutoxy ethyl ester 32% – Garlon (4) Glufosinate ammonium 13.5% – Basta  Specific pesticides had been used to deal with the respective target pest, weed, or disease.	Complied
<b>4.6.2</b> Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. <b>Major Compliance</b>	Inventory and bin cards of chemicals were maintained and updated. Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications had been maintained for the estate.	Complied
<b>4.6.3</b> Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. <b>Major Compliance</b>	It had been the policy of the estate to minimize the use of pesticides in accordance with IPM plan.  The pesticide reduction program is monitored on usage per hectare basis.  No prophylactic use of pesticides had been carried out at the estate for the period concerned.	Complied



<p><b>4.6.4</b> Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000).  <b>Minor Compliance</b></p>	<p>It is the policy of the group to achieve zero usage of paraquat by the end of 2017. This PMU had ceased the usage of paraquat after end of year 2016.</p> <p>Alternatives such as Round up (Glyphosate isopropylamine), Juru (Metsulfuron methyl), and Garlon (Triclopyrbutoxy ethyl ester) had been used to replace paraquat.</p> <p>First Aid Kits found to be available during pesticides spraying in the fields (4<sup>th</sup> Schedule).</p> <p>Portable signboard noted to be displayed at areas of spraying activity (5<sup>th</sup> Schedule).</p>	<p align="center">Complied</p>
<p><b>4.6.5</b> Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).  <b>Major Compliance</b></p>	<p>All pesticide operators have attended training on the safe handling and application of pesticides in compliance with Regulation 22 of the Pesticides Act 1974. There are no contractor's workers involved in pesticides spraying.</p> <p>Based on field visits, appropriate safety and application equipment (safety boots, safety helmets, cartridge masks, gloves, apron) have been provided and used by the pesticides operators.</p> <p>Interviews with pesticides sprayers at the estate confirmed that they understood the chemical hazards relating to pesticides. All precautions attached to the pesticides (MSDS) have been observed, applied and understood by the workers.</p> <p>Training program and training records verified to be satisfactory. The training include spraying technique, precautions and symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pain, breathing difficulties or nail problems.</p> <p>Appropriate safety and application equipment (safety boots, rubber boots, safety helmets, cartridge masks, safety goggles, gloves and apron) have been provided and used.</p> <p>The estate has adequate facilities for mixing of pesticides and suitable storage area for spraying equipment and PPE.</p> <p>The emergency shower and eye wash were verified to be available and in proper working order at the pesticide mixing area.</p>	<p align="center">Complied</p>
<p><b>4.6.6</b> Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations.  <b>Major Compliance</b></p>	<p>Storage of pesticides found to be kept under lock and key and its use in accordance with the Occupational Safety and Health Laws and Regulation 9 of the Pesticides Act 1974. Emergency shower and eye wash are available near the pesticides store in case of accidents.</p> <p>Material Safety Data Sheets (MSDS) are available in the store. The MSDS are in English and Bahasa Malaysia (understood by the workers).</p> <p>Used chemical containers were either reused as containers for spraying solution or disposed as scheduled waste. For disposal, empty pesticide containers are triple rinsed and pierced at the bottom.</p>	<p align="center">Complied</p>
<p><b>4.6.7</b> Application of pesticides shall be by proven methods that minimise risk and impacts.</p>	<p>Pesticides had been applied using the Best Management Practices that minimize risk and impacts. The pesticide</p>	<p align="center">Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 26 of 71

<b>Minor Compliance</b>	operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.	
<b>4.6.8</b> Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. <b>Major Compliance</b>	It is the policy of the company not to carry out aerial application of pesticides. This policy has been followed by the estate.	Complied
<b>4.6.9</b> Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8). <b>Minor Compliance</b>	The Annual Training Plan includes training on pesticides handling. All new pesticides operators were trained before being assigned to work with pesticides. In addition, based upon training needs, the existing pesticide operators attended continual training to enhance their knowledge and skills on pesticides handling.  Information and safety precautions on the pesticides displayed on the notice board and next to the pesticides in the store.	Complied
<b>4.6.10</b> Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). <b>Minor Compliance</b>	Scheduled waste of palm oil mill had been disposed of through a DOE licensed scheduled waste contractor. The scheduled wastes from the estate are sent to the POM for disposal. Empty pesticide containers are triple rinsed and pierced for disposal as scheduled waste.  Records of scheduled waste collection at 180 days interval verified to be satisfactory.	Complied
<b>4.6.11</b> Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. <b>Major Compliance</b>	CHRA was carried out for the POM and estate and the reports dated Sep 2014 and 14/12/2017 respectively. It was verified that the CHRA recommendations has been satisfactorily followed.  The estate uses its own workers for pesticides spraying and there are no contractor's workers for pesticides spraying.  Medical surveillance was carried on 30/12/2017 out for 17 workers, including 4 sprayers (all males). The medical surveillance reports were checked and no abnormalities reported by the Medical Doctor. The medical reports showed that there was no case of low blood cholinesterase levels. The medical reports stated the sprayers are fit for work with pesticides.  Pesticides operators were interviewed during field visits and feedback received that they do not have any symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pain, breathing difficulties or nail problems.	Complied
<b>4.6.12</b> No work with pesticides shall be undertaken by pregnant or breast-feeding women. <b>Major Compliance</b>	Pesticide operators in the estate are all males. Verified from records, field inspections and interviews that no pregnant or breast-feeding woman had been offered work as pesticide operator.	Complied
<b>Criteria 4.7</b> An occupational health and safety plan is documented, effectively communicated and implemented.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
The occupational health and safety plan shall cover the following:  <b>4.7.1</b> An occupational health and safety policy shall be in place. An	Occupational Safety and Health (OSH) plan in compliance with OSH Act and Factory & Machinery Act 1967 was documented and implemented.  OSH Policy found to be clearly displayed at prominent locations in the mill and estate. Adequate posters,	

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 27 of 71

<p>occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p><b>Major Compliance</b></p>	<p>regulations, newsletters were prominently displayed on notice boards. Interviewed workers demonstrated awareness towards occupational safety and health.</p> <p>The Regional Safety &amp; Health Officer is in charge of safety and health planning, operation &amp; coordination. Mill/Assistant Mill Managers and Estate Managers / Assistant Estate Managers are also directly involved.</p> <p><b>Location: Bukit Kepayang POM</b>  <b>The OSH Plan for year 2018 indicated only the various types of training and did not cover all activities relating to occupational health and safety.</b></p> <p>The POM is certified by SIRIM for its Quality, Environment and Safety &amp; Health Management Systems.</p> <p>POM has conducted the Emergency Preparedness (ERP). Safety Committee meetings held quarterly.</p> <p>Programmes for protecting workers' health and safety were satisfactorily implemented.</p> <p>Records on training had been verified at the POM and estate. Analysis on the understanding of training by the workers had been verified.</p> <p>JKKP8 submitted to DOSH for the reporting of incidences and accidents.</p> <p>The POM submitted monthly reports for the Quarterly Return Form as per First Schedule of the Environmental Quality (Prescribed Premises) (Crude Palm-Oil) Regulations, 1977 concerning the following:</p> <ul style="list-style-type: none"> <li>(a) Daily production data and effluent,</li> <li>(b) Stack emission,</li> <li>(c) SW inventory,</li> <li>(d) EFB disposal</li> </ul>	<p style="text-align: center;"><b>Major NC#</b> <b>OCL-01</b></p>
<p><b>4.7.2</b> All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p><b>Major Compliance</b></p>	<p>Risk assessment (HIRARC) carried out on all operations, where health and safety is an issue, in order to determine the significant hazards and implement control measures. Significant hazards determined and documented include noise exposure, pesticides/chemicals, accident, fire, fuel spillage, working at heights, working in enclosed space, hot work, lightning, electrocution, machinery, etc. Control measures include the use of PPE, fire drill training, first aid training, etc. and "permit to work system" for the mill.</p> <p>The HIRARC for the POM and Terapai 03 estate operations were reviewed on 25/02/2018 and 03/01/2018 respectively. There were risks identified as significant and control measures determined to mitigate the risks.</p> <p><b>Location: Bukit Kepayang POM</b>  <b>Noise Exposure Monitoring at the POM was conducted by NIOSH on 05 May 2010. There was no noise level monitoring conducted 5 years after that date.</b></p> <p>Work areas with high noise levels had been identified, viz., boiler station, engine room, sterilization unit and kernel press where noise level exceeded 85 db. Mill management have taken steps to reduce the noise levels by more frequent lubrication of machinery, reducing the exposure time to high noise and mandatory use of ear plugs and ear muffs.</p> <p>Annual audiometric test conducted for POM staff and workers. The latest audiogram was carried out for 71 POM employees on 10/11/2017. There were 7 employees whose</p>	<p style="text-align: center;"><b>Major NC#</b> <b>OCL-02</b></p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 28 of 71

	<p>audiometric reports indicated hearing impairment and audiometric re-test required by the OSHA Doctor within 3 months (Regulations 23). Re-test conducted on the 7 employees on 24/02/2018 and only 3 employees found to have Standard Threshold Shift (STS) and required to be provided with hearing protector and to be tested within 3 months (this was done on 25/05/2018). The OSHA Doctor submitted the audiometric report and JKPP 7 to JKPP Putrajaya and Pahang. The audiometric re-test report stated that there is no noise induced hearing loss (NIHL) and recommendation is to reduce noise exposure for these workers. The Doctor will only refer worker with Induced Hearing Loss to SOCSO for benefits in accordance with the regulations.</p> <p>Baseline audiogram and occupational and medical history records of workers maintained. The employees exposed to high noise levels were interviewed. The workers are aware of the danger of hearing loss due to prolonged exposure to high noise. The workers knew about the complaints process and mechanism available.</p> <p>Appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves, overalls, ear plugs, ear muffers) verified to be provided to and being used by the workers. Associated training provided to address safety and health issues.</p> <p>Warning signs sighted at high noise areas and ear plugs and ear muffers to be worn. There are also warning signs to use other PPE such as helmet and safety boots.</p> <p>An audit for determining compliance with the minimum standards had been conducted on all types of PPE used.</p> <p>Adequate fire extinguishers and hose reels found to be located at strategic locations, operational and maintained in good conditions. Location map of fire extinguishers is available.</p> <p>First Aid equipment was available at POM, estates and at worksites. Samples of First Aid box was checked and contents found to be complete and in usable order during field visit. Training for workers in First Aid was carried out in the mill and estate and records maintained.</p> <p>“Permit to work” system applied at the POM. Staff and workers have been trained and certified by NIOSH for gas entrant and stand-by involving work in confined space.</p> <p>The POM and estates have established their accident reporting KPI and incident monitoring implemented.</p> <p>Yearly reporting of JKPP8 regulations was submitted to JKPP on time, i.e. in January of each year. Supporting documentations and evidences of cases reported are maintained and adequately followed up.</p> <p>The Safety &amp; Health Officer maintains records on the rate of accidents to workmen, trends in rate of accidents, fatalities and non-fatalities captured to prevent mishaps.</p> <p>Verified that additional HIRARC reviews also made by the Safety &amp; Health team upon occurrence of incidences or accidents.</p>	
<p><b>4.7.3</b> All workers involved in the operation shall be adequately trained in safe working practices</p>	<p>Training programme planned for year 2018 has included all categories of workers.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 29 of 71

<p>(see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.  <b>Major Compliance</b></p>	<p>Appropriate trainings on safe working practices are planned for:</p> <ul style="list-style-type: none"> <li>- workers exposed to machinery and high noise levels,</li> <li>- workers working in confined space,</li> <li>- harvesters and loaders,</li> <li>- pesticides operators and manurers .</li> </ul> <p>Records of the trainings conducted in year 2018 are available and trainings held included firefighting, fire drill, first aid training, Emergency Response Team training and SOP training for sprayers, manurers, harvesters, loaders, tractor drivers, contractors and contractors' workers (for FFB transportation). Evaluations were carried out on each of the trainings to determine its effectiveness.</p>	
<p><b>4.7.4</b> The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.  <b>Major Compliance</b></p>	<p>The responsible person (usually the Mandore or Headman) had been identified.</p> <p>Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to be satisfactory.</p> <p>Understanding of the safety and health requirements was also verified during interviews at field visit with the respective mandores available on duty.</p>	Complied
<p><b>4.7.5</b> Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.  <b>Minor Compliance</b></p>	<p>Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors.</p> <p>Workers trained in First Aid were present in the mill and field operations.</p> <p>First Aid Kits were available at worksites and contents were checked to be sufficient.</p> <p>Records on all accidents had been verified to be maintained satisfactorily.</p> <p>Review on accident cases had been carried out during meetings of Safety &amp; Health Committee.</p>	Complied
<p><b>4.7.6</b> All workers shall be provided with medical care, and covered by accident insurance.  <b>Minor Compliance</b></p>	<p>Medical care had been provided to all the workers.</p> <p>Local workers are covered by SOCSO, whereas foreign workers are covered by Foreign Workers Compensation Scheme with insurance companies.</p>	Complied
<p><b>4.7.7</b> Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.  <b>Minor Compliance</b></p>	<p>Records on Lost Time Accident (LTA) metrics had been verified to be satisfactory.</p>	Complied
<p><b>Criteria 4.8</b>  All staff, workers, smallholders and contract workers are appropriately trained.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>4.8.1</b> A formal training programme shall be in place that covers all aspects of the RSPo Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.  <b>Major Compliance</b></p>	<p>Training on RSPo P&amp;C and RSPo Supply Chain were conducted on 27/07/2018. Interviews confirmed the satisfactory level of understanding on the requirements.</p> <p>Training for various categories of operators, including all field and office staff, with regards to their duties and training needs had been reviewed on annual basis and appropriate training including 'on-job' training / supervision and briefings were satisfactorily documented. This was further confirmed during</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 30 of 71

	interviews done with sampled workers at the POM and estate.	
<b>4.8.2</b> Records of training for each employee shall be maintained. <b>Minor Compliance</b>	Records of training provided for each employee, including new employees were available and found to be satisfactorily maintained.	Complied

### Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

#### Criteria 5.1

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Indicators	Findings and Objective Evidence	Compliance
<b>5.1.1</b> An environmental impact assessment (EIA) shall be documented. <b>Major Compliance</b>	Environmental Aspect and Impacts Assessment for Terapai 03 Estate was conducted and documented on 18/01/2018. It had included the identification of aspects and impacts from field activities that includes fertilizing, spraying, transportation of FFB, domestic waste disposal and road maintenance.	Complied
<b>5.1.2</b> Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. <b>Minor Compliance</b>	The environmental aspects and impacts have been identified. Environmental Management and Monitoring Plans have been established and implemented at the mills and estates. The plans were sufficiently comprehensive and persons responsible i.e. the respective Mill Managers and Estate Managers were identified.  The plans had also included the action plans and recommendations to mitigate the negative effects and to promote the positive ones such as such as construction of sewage and landfills, together with other conservation activities applicable to the PMU.	Complied
<b>5.1.3</b> This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. <b>Minor Compliance</b>	The monitoring of the documented environmental improvement plans is ongoing.  Implementation and monitoring of the documented environmental improvement plans will be reviewed on an annual basis.  The review will take into consideration the mitigation of negative impacts and promotion of positive ones such as recycling of the EFB into the plantation for mulching purposes, clearing of overgrown natural vegetation and debris along the streams and recycling of fertiliser bags to reduce waste and pollution.  <b>However, visit to site had found the following:-</b> <b>Location: Terapai 03 Estate</b> <b>(1) The riparian zone was not identified for the river, Sungai Terapai passing through the estate. The water sampling and water quality analysis of this river was not conducted. There was also no marking or indication of the locations of the water sampling points in the map and at the physical site.</b>  <b>(2) The buffer zone was not identified for the boundary between the estate and forest reserve, Hutan Simpan Cini.</b>	Minor NC# SH-01
<b>Criteria 5.2</b>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 31 of 71

The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.		
Indicators	Findings and Objective Evidence	Compliance
<p><b>5.2.1</b> Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).  <b>Major Compliance</b></p>	<p>Biodiversity (HCV) assessment was conducted by the HQ personnel and documented in a report dated 03/07/2018 for both the mill and estate. The assessment was done in collaboration and meetings with other agencies such as Jabatan Perhutanan, Jabatan Perhilitan, Jabatan Alam Sekitar, Felda Officer, Peneroka and also the local communities.</p> <p>There was no HCV area identified inside the mill and Terapai 3 estate. The exercise has taken into consideration all aspects of environmentally sensitive areas and documented.</p> <p>Visits to site confirmed that the mill is surrounded by oil palm estates. However, for Terapai 03 estate, apart from surrounded by oil palm estates, it is also neighbouring two forest reserves. Near the south west of the estate is the Hutan Simpan Cini and Hutan Simpan Papai at the northern border.</p> <p>Although no HCVs identified inside of the plantation, conservation areas/environmentally sensitive areas had been identified and being monitored.</p> <p>HCV and other environmentally sensitive areas were documented and inspected on site. Boundary bordering the Hutan Simpan Papai was well demarcated with trenches to deter wildlife from going into the estate and is still in good condition and effective.</p> <p><b>Nonetheless, the following was observed:-</b></p> <p><b>Location: Bukit Kepayang POM and Terapai 03 Estate</b></p> <p><b>(1) At both the mill and estate, the HCV assessment conducted was not complete. It should mention the composition of the assessment team and also their qualification and experience relating to HCV and biodiversity. It also did not document the assessment methodology used.</b></p> <p><b>(2) For the POM, the HCV assessment report include other estates that are no longer part of the Bukit Kepayang Grouping, which now consist of only Bukit Kepayang POM and Terapai 03 estate.</b></p>	<p><b>Major NC# SH-01</b></p>
<p><b>5.2.2</b> Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan.  <b>Major Compliance</b></p>	<p>Regular patrols within the estate were being carried out and findings recorded by the respective Estate executives to monitor the conservation / buffer zone areas and other parameters.</p> <p>The estate had taken appropriate measures to monitor and control any illegal or inappropriate hunting, fishing or collecting activities within the estate.</p> <p>Signages that prohibit hunting, fishing and water polluting activities were verified on-site at the estate and found to have been satisfactorily maintained.</p>	<p>Complied</p>
<p><b>5.2.3</b> There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate</p>	<p>The program to regularly educate the workforce and community about the status of these RTE species are also established with ongoing consultation with the relevant</p>	

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 32 of 71

<p>disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.  <b>Minor Compliance</b></p>	<p>authorities at all the estates and disseminated to all in the estate community.          Training on RTE was conducted with the participation of Jabatan Perhilitan on 11 Aug 2017. Interview with staff showed that they understood and benefited more knowledge.          There is evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities via the signage erected around the affected areas which prohibit such activities.  <b>Location: Terapai 03 Estate</b>  <b>The program to educate the workforce and communities on status of RTE is insufficient. There is only one signage, which is insufficient to fully communicate the importance and prohibition of certain activities such as no hunting, no spraying, etc., at the numerous sensitive areas at various locations.</b></p>	<p style="text-align: center;"><b>Minor NC#</b> <b>SH-02</b></p>
<p><b>5.2.4</b> Where an action plan has been created there shall be ongoing monitoring:          • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;          • Outcomes of monitoring shall be fed back into the action plan.  <b>Minor Compliance</b></p>	<p>Management plans were established and monitoring outcomes were reviewed by the Estate manager.          There are no HCV or reported RTE at the Terapai 3 estate. Verification was also made during on-site assessment and found to be satisfactory.          The overall management plan on the status of HCV/RTE of the Terapai 3 estate was collated, reviewed and monitored by the sustainability team.</p>	<p style="text-align: center;">Complied</p>
<p><b>5.2.5</b> Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.  <b>Minor Compliance</b></p>	<p>It is verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at the estate. Thus negotiated agreement of such nature is not applicable.</p>	<p style="text-align: center;">Complied</p>
<p><b>Criteria 5.3</b>          Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>5.3.1</b> All waste products and sources of pollution shall be identified and documented.  <b>Major Compliance</b></p>	<p>Visits made to POM and Terapai 3 estate showed that all waste products and sources of pollution were identified and documented.          The documentation and identification of all the waste products such as scheduled waste, domestic waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, Stack emissions and Boiler ashes were maintained and monitored at the POM.          Scheduled Waste identified included spent lubricant oil (SW 305), spent hydraulic oil (SW 306), used chemical containers/drums (SW 409), used filters (SW 410), clinical waste (SW 404) and used batteries (SW 102).</p>	<p style="text-align: center;">Complied</p>
<p><b>5.3.2</b> All chemicals and their containers shall be disposed of responsibly.  <b>Major Compliance</b></p>	<p>At the mill, the disposal of used chemicals and containers were done in accordance with the regulatory requirement as per their schedule on waste management as planned.          Store for scheduled waste was inspected at site, i.e. POM and disposal was done by Kualiti Alam Sdn Bhd., which is a scheduled waste disposal company authorized and licensed by Department of Environment. Latest disposal was conducted on 13/04/2018. The POM has a proper</p>	<p style="text-align: center;">Complied</p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 33 of 71

	<p>Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor.</p> <p>Inventory for the waste materials was up to date for both the mill and estate.</p> <p>The estate sent its vehicles to an approved external party for servicing and maintenance.</p>	
<p><b>5.3.3</b> A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.  <b>Minor Compliance</b></p>	<p>The waste management and disposal plan has been documented and implemented at the POM and estate.</p> <p>At the POM, segregation of wastes, i.e. general wastes and scheduled wastes was verified to be satisfactory. The disposal of schedule waste was done by an appointed contractor that is licensed by the Department of Environment.</p> <p>Sanitary landfill was also used as a plan for the disposal of household waste at the estate. Visits to landfills showed that the management of the areas was satisfactorily implemented.</p> <p>Recycling of crop residues / biomass i.e. EFB and POME had been implemented. Management of EFB application plans and progress reports were verified to be satisfactory.</p> <p>Recycling bins of three different colour codes for specific recycle waste were available in the POM and were used for solid waste segregation and recycling.</p> <p>Proper storage areas were identified for the storage of the recyclable wastes at the POM and estate.</p> <p>Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained at the POM.</p> <p><b>Nonetheless, at Bukit Kepayang POM:-</b></p> <p><b>(1) The location for the storage of metal waste was without a signboard and proper demarcation.</b></p> <p><b>(2) EFB was stored at a designated area but it was stored not in an organized manner.</b></p> <p><b>(3) Plastic bottles were seen strewn all over the main road leading to the mill entrance.</b></p>	<p style="text-align: center;">Complied</p> <p style="text-align: right;"><b>Minor NC# SH-03</b></p>
<p><b>Criteria 5.4</b>  Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>5.4.1</b> A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.  <b>Minor Compliance</b></p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement.</p> <p>Visit made to mill showed evident that they are compiling the data, document it for further action to improve on their efficiency of using the renewable and non-renewable energy.</p> <p>Apart from use of diesel for electricity, palm fiber was also used to generate electricity through steam turbine and boiler. The shell is sold as by-product to other agencies/ clients, whereas the EFB is used for mulching at the plantations.</p>	<p style="text-align: center;">Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 34 of 71

	<p>The use of energy in palm oil mill and estate/line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fiber and PK shells were used as renewable energy.</p> <p>Monthly records of energy consumption of non-renewable and renewable fuel per metric tonne of palm product at the POM and estate were made available during the audit.</p> <p>It was verified that energy usage are being monitored at the POM and estate for better control and comparison of trends.</p>	
<p><b>Criteria 5.5</b>                  Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>5.5.1</b> There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.  <b>Major Compliance</b></p>	<p>Both the POM and estate had observed the policy of 'Zero open burning' for any replanting, if any, at the estates. Field inspections made at the estate showed no evidence of open burning.</p>	Complied
<p><b>5.5.2</b> Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.  <b>Minor Compliance</b></p>	<p>During the audit, there were no replanting activities carried out at Terapai 3 estate. Also, there was no evidence of any burning of domestic waste at the housing line sites and at the sanitary landfills of the estate during on site field assessment. Sanitary landfill was used at Terapai 3 estate. The area is located far away from the village, line site and water sources.</p> <p>The estate shall adhere to the 'zero burning' policy for replanting.</p>	Complied
<p><b>Criteria 5.6</b>                  Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>5.6.1</b> An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).  <b>Major Compliance</b></p>	<p>The POM and estate had reviewed the environmental impact assessment on potential pollution to water, gaseous emissions to air and contamination on land.</p> <p>Assessment of all polluting activities such as gaseous/particulate emissions and effluent was conducted and documented.</p>	Complied
<p><b>5.6.2</b> Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.  <b>Major Compliance</b></p>	<p>Identification of significant pollutants and greenhouse gas (GHG) emissions has been done, e.g. POME, diesel / fuel and fertilizer. Their usage have been recorded and documented at both the POM and estate.</p> <p>Plan to reduce and minimise the emissions were implemented whereby regular testing and data collection being carried out in accordance to the requirement of the Department of Environment.</p>	Complied
<p><b>5.6.3</b> A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.  <b>Minor Compliance</b></p>	<p>Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are in place.</p> <p>Monitoring of mill gas emissions is being done online using the Continuous Emissions Monitoring System (CEMS) and supported by the Ringelman Smoke Chart. Report showed evident that the emission is within the permissible limits of</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 35 of 71

	<p>DOE as verified by documents made available during the site visit to the mill. The emission of all parameters tested also complied with their respective limits as stipulated in the Environmental Quality (clean air) regulations. The latest test on emission was conducted on 18 Dec 2017 by NABBIR Laboratory (KL) Sdn Bhd.</p> <p>There is no field application of the POME as the estate is not nearby. Water samples were taken monthly at final discharge point and analysed to ensure compliance to DOE requirements (BOD &lt; 100 ppm). Records are maintained and verified on-site to have met the permissible regulatory limits.</p> <p>Monthly reporting to DOE was also done and record documented and made available during audit. The report contain information such as data on the production and discharge of effluent, release of black smoke, Schedule waste inventory and disposal of the EFB to the plantations. In addition, quarterly report was also submitted to the DOE for the monitoring purposes.</p> <p>The PMU had implemented the latest RSPO PalmGHG tool (ver. 3.0.1). Correct data was used and entered into the formula. Summary Report on PalmGHG has been submitted to RSPO Secretariat.</p>	
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**Principle 6: Responsible consideration of employees, and of individuals and communities affected by growers and mills**

<p><b>Criterion 6.1</b></p> <p>Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.</p> <p><b>Major Compliance</b></p>	<p>At the PMU, social impact assessment is conducted using various methods, i.e. annual internal and external stakeholders meetings, bi-annual generic internal and external surveys as well as topic specific surveys mostly involving the internal stakeholders. Each of this activity is appropriately documented and analysed. Comments were received from the participants and actions taken to address the comments were verified to be satisfactory by the auditor. For example selected stakeholders were consulted through a series of interviews conducted by the Plantation Sustainability Department [PSD] at the POM and the estates audited. At the POM the interviews were conducted on 11 Jul 2018, at Terapai 03 Estate the interviews were conducted on 10 Jul 2018. There were 23 and 33 interviews conducted at the POM and at Terapao 03 Estate respectively. In each interviews, PSD randomly selected stakeholders from various background, such as workers, suppliers, surrounding communities, government officials, etc. Apart from interview sessions, the PMU also conducted a stakeholders consultation session together with other FGV groupings located at Felda Bkt. Mendi on 18 Oct 2017. This stakeholders consultation is planned to be conducted once in two years. Attendance of the consultation is verified to have consists of FGV operators, foreign workers, local communities, local authorities, etc.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 36 of 71

<p>6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p><b>Major Compliance</b></p>	<p>The group has considered issues of social impact to employees and communities affected by their activities. Records of meeting with stakeholders indicated discussions held were generally on matters pertaining to access roads and use rights, working conditions, cultural/festival activities, health facilities and other community concerns as stated in 6.1.1.</p> <p>In all minutes of stakeholders, women's committee and trade union representative meetings, list of attendance and photos of the session were kept in file showing evidence of participation of affected parties. Through verification of entries made in the grievance book at the POM and at Terapai 03 Estate as well as through interviews conducted by the auditors, it was clear that the workers are well informed of issues related to their rights.</p>	<p style="text-align: center;">Complied</p>
<p>6.1.3 Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.</p> <p><b>Major Compliance</b></p>	<p>For each comments received during meetings or surveys conducted by the POM and the estate, a time table of activities were developed with time frame on implementation plans and persons responsible. Comments received through the meetings, stakeholder logbook, etc., were recorded and also indicated with status either continuous, completed or pending.</p> <p>For example in the interview conducted with the workers, the PSD found that animals such as cattle and goats are causing discomfort at the workers quarters. The POM management took an immediate action informing the Manager of Felda Bukit Kepayang to remind the settlers. In Terapai 03 Estate, in an interview session with new foreign workers, it was found that new foreign workers from Bangladesh are having difficulties to communicate with the management. The estate management immediately appoints two translators for the new foreign workers Bangladesh. These two translators were interviewed during the audit and their appointment letters were verified.</p>	<p style="text-align: center;">Complied</p>
<p>6.1.4 The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices.</p> <p>There shall be evidence that the review includes the participation of affected parties.</p> <p><b>Minor Compliance</b></p>	<p>The plans are reviewed annually together with affected parties, especially the workers, who were always consulted during the annual interview session and workers representative meetings with the management called Mesyuarat Kebajikan Pekerja.</p>	<p style="text-align: center;">Complied</p>
<p>6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p><b>Minor Compliance</b></p>	<p>The PMU is surrounded by Felda smallholder schemes such as Felda Bukit Kepayang, Felda Triang, Felda Purun, Felda Kumai Felda Mayam, etc. These scheme smallholders are under the management of Felda which is the sister company of the PMU itself. Issues involving the PMU and all the scheme smallholders will be discussed at the highest managerial level.</p>	<p style="text-align: center;">Complied</p>
<p><b>Criterion 6.2</b></p> <p>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.:** R9319/18-1 FGV Holdings Berhad  
**Bukit Kepayang Grouping: Initial Assessment**

Page 37 of 71

<p>6.2.1 Consultation and communication procedures shall be documented.  <b>Major Compliance</b></p>	<p>FGVHB grievance procedure is available via website links provided below;</p> <ol style="list-style-type: none"> <li>1. <a href="http://www.feldaglobal.com/wp-content/uploads/2017/04/FGV_whistleblowing_policy_v5.pdf">http://www.feldaglobal.com/wp-content/uploads/2017/04/FGV_whistleblowing_policy_v5.pdf</a></li> <li>2. <a href="http://www.feldaglobal.com/our-company/whistleblowing/">http://www.feldaglobal.com/our-company/whistleblowing/</a></li> </ol> <p>The PMU has adopted an open and transparent method of communication and consultation when dealing with relevant parties, e.g. its workers, government agencies, contractors, neighbouring plantations by personal invitation to attend the internal and external stakeholders' meetings as well as surveys on general and specific issues. This policy is spelt out clearly in complaint and grievance handling procedures as verified during the audit [Prosedur Menangani Aduan dan Rungutan, ML-1A/L2-Pr13(0)]</p>	<p>Complied</p>
<p>6.2.2 A management official responsible for these issues shall be nominated.  <b>Minor Compliance</b></p>	<p>Records sighted show evidence of appointed teams headed by the Managers and assisted by assigned staff. e.g. Mr. Mahyudin Ahmad at Bkt Kepayang POM and Mr. Muhd Zaidi Bin Rahim, PDPL at Terapai 03 Estate</p>	<p>Complied</p>
<p>6.2.3 A list of stakeholders, records of all communication, including confirmation of receipt and that effort are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.  <b>Minor Compliance</b></p>	<p>The list of stakeholders, communication and actions taken were maintained in file. Consultations with various stakeholders held and meeting minutes have been verified to be satisfactory during the audit.</p>	<p>Complied</p>
<p><b>Criterion 6.3</b>          There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.3.1 The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.  <b>Major Compliance</b></p>	<p>Both the POM and estate have established complaints and grievances procedures and they were all well implemented. Grievance books were sighted at the POM and at the estate audited. The books are actively used by workers. Timelines for response to complaints and grievances are indicated in the logbook. Generally respond time for minor requests will be within 2-3 days.</p> <p>Grievance books are for complaints which are not private and confidential in nature. However, for reports which are related to private matters such as sexual harassment, separate logbooks are prepared. Complainants are given the option whether the make the report personally or through nominated workers' representatives or meet directly with the gender committee members.</p> <p>It is verified during on-site interviews that there were no incidents of dispute or grievance of a serious nature.</p> <p>For example in Terapai 03 Estate latest grievance received was on 12 Jun 2018 regarding poor telecommunication services in the estate area. The management informed Telekom and maintenance works conducted was verified.</p>	<p>Complied</p>
<p>6.3.2 Documentation of both the process by which a dispute was</p>	<p>The PMU have a system for handling compensation claim in an effective, timely and appropriate manner. So far there</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 38 of 71

resolved and the outcome shall be available. <b>Major Compliance</b>	has not been any dispute raised which was verified during on-site interviews with the workers.	
<b>Criterion 6.4</b> Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.4.1 A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. <b>Major Compliance</b>	No borders of the Terapai 03 Estate directly adjacent to any villages in the area. Even Bkt Kepayang POM is located within an estate belong to Felda Bkt Kepayang. Nearest residential area with the PMU is Felda settlement area, i.e. Felda Bukit Kepayang, Felda Triang, Felda Purun, Felda Kumai Felda Mayam, etc. No issues related to legal, customary and user rights arise involving the PMU due to the fact that Felda is government owned land development plan.	Complied
6.4.2 A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. <b>Minor Compliance</b>	The FGVHB Group has a procedure for calculating and distributing compensation which is available for verification. The procedure is spelt out in Land Claim Identification and Resolution Procedures [ML-1A/L2-Pr10(0)]. It outlines the procedure for identifying legal, customary or user rights. The procedures stated that the compensation shall take into account issues such as proof of legal versus communal ownership in ethnic group, communities' period of residing and origins and gender difference in the ability to claim rights. To date, there has been no dispute by any parties reported at the PMU.	Complied
6.4.3 The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. <b>Major Compliance</b>	To date, there has been no dispute by any parties reported. Therefore the process and outcome of compensation could not be observed.	Complied
<b>Criterion 6.5</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.5.1 Documentation of pay and conditions shall be available. <b>Major Compliance</b>	Offer letters and work contracts for local staff and foreign workers were verified. The contracts met the industry minimum standards, including extra pays under the statutory fringe benefits. The pay slips for workers at the estates and mill were verified to contain all necessary information and can easily be understood by the workers, e.g. type and rate of works completed, days offered, days worked, days absent, total deduction, etc. Review of field workers' pay slips showed that the calculation of pay is clearly itemised, for example, normal	

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 39 of 71

	<p>working day rate, normal working day overtime rate, rest day work, rest day work overtime, public holiday work, public holiday work overtime, annual leave pay in December, sick leave pay and deductions.</p> <p><b>However, in Bkt Kepayang POM these non-compliances were found:</b></p> <ul style="list-style-type: none"> <li><b>a) Wages for two workers in the month of Jul 2018 were deducted more than 50%. This practice is not complying with Employment Act 1955, Section 24(8).</b></li> <li><b>b) Three contractors hired by the POM for different types of jobs. However, it was found that the contractors did not have any employment contract signed with their workers.</b></li> <li><b>c) Contractors did not submit valid driving license, road tax of the vehicles used, Good Driving License [GDL], etc., as part of the contractor legal compliance monitoring.</b></li> </ul>	<p style="text-align: center;"><b>Major NC#</b> <b>JMD-01</b></p>
<p>6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p><b>Major Compliance</b></p>	<p>All employment contracts are in languages understood by the workers, e.g. in Bahasa Indonesia for Indonesian workers, in Bengali language for Bangladesh workers and in English language for Indian workers. Through interviews it was verified that the contracts were clearly understood by the foreign workers when they were able to give correct responds on pertinent issues such as daily minimum rate, public holiday entitlement and pay for work during public holiday, etc. Local workers are covered by a collective agreement which is written in Bahasa.</p> <p>No foreign workers at the POM and all local workers are paid based on monthly rate. All workers at Terapai 03 Estate are paid based mainly on piece rate. During the audit at the estate, workers who received below minimum wages are only those who worked less than offered working days.</p>	<p style="text-align: center;">Complied</p>
<p>6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p><b>Minor Compliance</b></p>	<p>The PMU has provided adequate housing, water supplies, medical, educational and welfare amenities in accordance with Local - Workers' Minimum Standard of Housing and Amenities Act 1990 to the workers.</p> <p><b><u>Housing, electricity and water supply</u></b></p> <p>The workers are staying in the housing quarters provided by the PMU. No rental charges by the PMU. Maintenance of the houses is the responsibility of the PMU as well. Electricity is provided 24-hours with no charge to the estate workers. Workers at the POM are paying their own electricity bill. Water is supplied free to workers at the estate whilst workers at the POM have to pay if the water bill is above the subsidised volume. In calculating the subsidised volume, the management and the workers union takes into consideration number of family members of each worker, i.e. RM3/person/month with maximum up to RM15/month. The act mentioned above only requires the management to subsidised sufficient volume of water to the workers and to their family members. The housing quarters are inspected by assigned person from the POM and the estate at least once a week. In Terapai 03 Estate for example latest linesite inspection was conducted on 6 Aug 2018.</p>	

	<p><b><u>Schools</u></b>          Primary and secondary government schools are located within the vicinity of the POM and estate audited. Transport is provided for free to students from the housing quarters of POM and Terapai 03 Estate.</p> <p><b><u>Sundry shops</u></b>          Sundry shops are available within the vicinity of the POM and the estate audited located at the Felda settlements. Interviews with the workers confirmed that the sundry shops are complete with most household sundries as they are also frequented by the local people.</p> <p><b><u>Medical clinics</u></b>          At the POM and estate audited, all workers with minor illnesses will be sent to the government clinic located at the Felda settlements. If major treatment is requires the clinic will decide which hospital the patient should be sent to. Medical fees at the government clinics as well as the transport to the clinics are covered by the managements.          All workers at the POM and the estate was also covered with valid insurance policies. Local workers are all covered under SOCSO with compulsory monthly employer contribution and foreign workers are all covered under valid Foreign Workers Compensation Schemes issued by Etiqa Takaful.</p> <p><b>However, in Terapai 03 Estate these non-compliances were observed during the audit.</b></p> <ol style="list-style-type: none"> <li><b>Weekly line-site inspection conducted by the management only covers foreign workers housing quarters. This is not complying with the Workers' Minimum Standards of Housing and Amenities Act 1990, Section 23(2).</b></li> <li><b>Employment contract with foreign workers stated that pillow, mattresses and kitchen utensils will be provided to new workers upon arrival at the estate. However, no distribution record available for verification. Distribution of these items was confirmed only through interview with the workers.</b></li> </ol>	<p align="center"><b>Minor NC#</b> <b>JMD-01</b></p>
<p>6.5.4 Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.  <b>Minor Compliance</b></p>	<p>The PMU has ensured that the workers have access to adequate, sufficient and affordable food by providing the workers with local sundry shops within their compounds.          The workers of the POM and estate audited as mentioned above are located within a very well developed Felda settlements with sufficient public facilities.</p>	<p align="center">Complied</p>
<p><b>Criterion 6.6</b>          The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.6.1 A published statement in local languages recognising freedom of association shall be available.  <b>Major Compliance</b></p>	<p>The published statements of policy which recognises employee's freedom of association is established in "Freedom of Speech and Freedom of Association" [ML-1A/L1-Po11(0)] dated 1 June 2014. It was noted that the policy is available and widely displayed to the public.          This policy is verified as sufficiently implemented with the</p>	<p align="center">Complied</p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 41 of 71

	formation of different categories of workers union, e.g. workers union for the POM workers, workers union for the POM executives, workers union for estate local workers and a committee to represent the interests of foreign workers in the estate.	
6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented. <b>Minor Compliance</b>	The PMU allowed the workers to join workers unions and this evidence through deduction of their wages directly to pay the union monthly fees and meetings attended by the workers. Latest POM workers union meeting was conducted on 19 Mar 2018.  Concerns of foreign workers at Terapai 03 Estate are discussed at the workers-management meeting called as Mesyuarat Kebajikan Pekerja. Latest meeting conducted at Terapao 03 Estate was on 18 May 2018. Minutes and attendance list for the meeting was verified.	Complied
<b>Criterion 6.7</b> Children are not employed or exploited.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.7.1 There shall be documentary evidence that minimum age requirements are met. <b>Major Compliance</b>	The published statements of policy which recognises no child labour is established in "Child Labour Policy" [ML-1A/L1-Po5(0)] dated 01/06/2014. This policy is spelt out clearly in Procedures To Prevent Hiring Child Labour [ML-1A/L1-Pr18(0)].  During the audit there was no evidence of any child labor being used at the PMU. Inspection of the employment records including site visit to the estates and interviews confirmed that this criterion has been complied with.	Complied
<b>Criterion 6.8</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. <b>Major Compliance</b>	The published statements of policy which recognises employee's freedom of association is established in "Policy on Equal Opportunities" [ML-1A/L1-Po2(0)] dated 1 June 2014. All decisions shall be made based on business needs, job requirements and individual qualifications and without regard to race, religion or gender.  Inspections including interviews in the estate, checking of the employment records including foreign workers, pay slips and deductions of wages (according to law) confirmed that this criterion had been maintained.	Complied
6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. <b>Major Compliance</b>	Based on interviews and feedback from the employees, foreign workers, review of workers union meeting minutes and grievance records, it is verified that there has been no issue of discrimination at the PMU.	Complied
6.8.3 It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.	The PMU demonstrated that staff are hired and promoted based on specific criteria. However, promotion to higher position sometime take a longer period mainly due to the position sought is not yet vacant.  For foreign workers, hiring is mainly conducted through employment agents and handled by the head office in Kuala	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 42 of 71

<b>Minor Compliance</b>	Lumpur. It was verified that there is no discrimination on promotion as both male and female, local and foreign workers have equal opportunity to be promoted.	
<b>Criterion 6.9</b> There is no harassment or abuse in the work place, and reproductive rights are protected.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.9.1 A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. <b>Major Compliance</b>	<p>The published statements of policy which recognises no tolerance on sexual harassment and violence is established in "Policy on Sexual Harassment, Domestic Violence and Reproductive Rights" [ML-1A/L1-Po10(0)] dated 01/06/2014. This policy is spelt out clearly in Procedures In Handling Grievances Received Through Gender Committee [ML-1A/L1-Pr14(0)].</p> <p>There are women committees in both the POM and estate specifically to address areas of concerns to women. These committees headed by the managers and members are representatives from all areas of work. Spouse of the workers, especially at the POM, have their own gender committee which is called Kelab Keluarga Dayabudi [KKD]. Women workers and staff at Terapai 03 Estate have their own Gender Committee. Spouses of male workers at the estate are organised to be members in Terapai 03 Estate KKD.</p> <p>The minutes of gender committee meetings at the POM and the estate were documented and kept. For examples, at the POM, latest gender committee meeting was conducted on 10 Jan 2018. Latest Gender Committee meeting at Terapai 03 Estate was on 13 Jul 2018 and latest KKD Terapai 03 Estate meeting was 27 Mar 2018.</p> <p>The policy statements on prevention of sexual harassment, protection of gender and women reproductive rights were widely available and displayed in local languages and English.</p>	Complied
6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. <b>Major Compliance</b>	<p>The management of the estates audited and the POM are aware that pregnant and breastfeeding women must be exempted from work associated with potentially hazardous chemicals. Prohibition of pregnant or breastfeeding women from working with hazardous chemicals is clearly mentioned in Procedure of Handling and Controlling of Poison [ML-1A/L2-Pr9(0)].</p> <p>However, since there were no child bearing women workers within the group, thus this policy cannot be verified during the audit.</p>	Complied
6.9.3 A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. <b>Minor Compliance</b>	<p>The grievance process flowchart and procedures are displayed in the estates and POM offices. The grievance mechanism established at the PMU has been maintained. There are gender committees specifically to address areas of concerns to women. These committees headed by the managers and members are representatives from all areas of work. The minutes of meetings were documented and kept.</p>	Complied
<b>Criterion 6.10</b> Growers and millers deal fairly and transparently with smallholders and other local businesses.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.:** R9319/18-1 FGV Holdings Berhad  
**Bukit Kepayang Grouping: Initial Assessment**

Page 43 of 71

<p>6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.  <b>Minor Compliance</b></p>	<p>FFB prices are publicly displayed at the POM based on current prices as determined by MPOB. These prices are available publicly access at MPOB website.</p>	<p>Complied</p>
<p>6.10.2 Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).  <b>Major Compliance</b></p>	<p>Price mechanism is generally understood by the industry players as the POM is using FFB prices set by the MPOB.</p>	<p>Complied</p>
<p>6.10.3 Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.  <b>Minor Compliance</b></p>	<p>Based on employee contracts and meeting minutes (between the PMU managements and employees) it is evidenced that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.   Interviews with parties concerned confirmed that business practices with local businesses are conducted in a fair and transparent manner. Work tenders are open to appropriate parties and reviewed by Tender Committee before approval. The contractors are monitored during work in progress to follow safety requirements.</p>	<p>Complied</p>
<p>6.10.4 Agreed payments shall be made in a timely manner.  <b>Minor Compliance</b></p>	<p>The PMU has a policy to ensure agreed payments were made in a timely manner as per the contracts of agreement made. Payments are made on time according to common practice of 60-day grace period.</p>	<p>Complied</p>
<p><b>Criterion 6.11</b>  Growers and millers contribute to local sustainable development where appropriate.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.  <b>Minor Compliance</b></p>	<p>Main contribution of the estates to the local development can be demonstrated in the provision of facilities, services and where feasible, monetary.</p> <ul style="list-style-type: none"> <li>• Provide maintenance of public buildings whenever requested.</li> <li>• Allocation for educational budget to schools in the vicinity of the PMU as incentives for high achievers.</li> <li>• Active participation in school activities e.g. permission to use estate transports of students excursion, participation in parent-teacher programmes.</li> <li>• Contributions to the activities conducted by neighbouring Felda settlers, e.g. sports events.</li> <li>• Permission for orang asli community to access and maintain their land within the estate boundary.</li> <li>• Hari Raya Aidil Fitri and Aidil Adha contributions.</li> </ul>	<p>Complied</p>
<p>6.11.2 Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity  <b>Minor Compliance</b></p>	<p>The certification scope covered during the audit does not include the smallholder. Thus this criteria is not applicable.</p>	<p>Not applicable</p>
<p><b>Criterion 6.12</b></p>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 44 of 71

No forms of forced or trafficked labour are used.		
Indicators	Findings and Objective Evidence	Compliance
<p>6.12.1 There shall be evidence that no forms of forced or trafficked labour are used.</p> <p><b>Major Compliance</b></p>	<p>Estate workers are sourced by the FGVHB appointed agents and handled via FGVHB Head Office in Kuala Lumpur.</p> <p>All procedures of bringing in foreign workers are with the approval from the Immigration Office. Based on records verified and interviews with some of the workers, it is confirmed that there has been no occurrence of forced nor trafficked workers in FGVHB estates or POMs. Procedures on bringing foreign workers from their original countries are clearly spelt in Manual for Handling of FGVHB Plantation Workers [FGV/JTK/POL/001] dated 1 Mar. 2017.</p> <p>Terapai 03 Estate at the time of audit is still keeping the passports for the foreign workers. The foreign workers agrees with this arrangement as it is stated in Section 16: Withholding of Workers Passports in the employment contract between the foreign workers and the estate management. Foreign workers interviewed during the audit understand the reasons for their passports being kept by the management and no complaints raised specifically on this issue by the workers. This practice is allowed by MYNI-2014 with the conditions that the passports are voluntarily surrendered by the legal owners.</p> <p>Contractors hired by the POM and estate did not employ any foreign workers, thus no issue related to the contractors withholding passports.</p>	<p>Complied</p>
<p>6.12.2 Where applicable, it shall be demonstrated that no contract substitution has occurred.</p> <p><b>Minor Compliance</b></p>	<p>No issue of contract substitution has been found and this was confirmed through interviews mainly with internal stakeholders.</p>	<p>Complied</p>
<p>6.12.3 Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.</p> <p><b>Major Compliance</b></p>	<p>The policy statement established in "Policy on Employing Foreign Workers" [ML-1A/L2-Po8(0)] dated 1 June 2014.</p> <p>Implementation of this policy is evident as explained above, for example, all decisions related to hiring of new workers shall be made based on business needs, job requirements and individual qualifications and without regard to race, religion or gender. Also mentioned above that the equal opportunity policy was adopted and implemented by the PMU and verified to have covered all necessary aspects of including migrant workers related issues. Freedom of association as earlier mentioned permitted not only to the local workers but also to the foreign workers.</p> <p>This policy is communicated to all workers during annual refresher training and to all new intakes.</p> <p><b>An observation was raised as follows:</b></p> <p><b>Location: Terapai 03 Estate</b></p> <p><b>However, it was found Management Procedure "FGV/JTK/POL/001" on Foreign Workers developed by Human Resources Dept. only covers workers from Indonesia. This procedure need to be revised to include the management of workers from Bangladesh and India.</b></p>	<p><b>OBS#</b> <b>JMD-02</b></p>
<p><b>Criterion 6.13</b> Growers and millers respect human rights.</p>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 45 of 71

Indicators	Findings and Objective Evidence	Compliance
6.13.1 A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). <b>Major Compliance</b>	The published statements of policy which recognises human right is established in "Policy on Human Rights" [ML-1A/L2-Po12(0)] dated 1 June 2014. Verified that this policy has been communicated to all level of employees through briefings and trainings.	Complied
6.13.2 As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. <b>Minor Compliance</b>	Not applicable for Peninsular Malaysia.	Not applicable

### Principle 7: Responsible development of new plantings

Todate the PMU has not carried any new plantings after Nov 2005 which may be applicable under requirements of the RSPO New Planting Procedure.

The requirements of Principle 7 were verified to be 'Not applicable' to this PMU during this assessment.

It was verified during current on-site assessment that the PMU has declared and submitted its Land Use Change details for analysis for its plantings since Nov 2005 as per the calculations specified in the RSPO PalmGHG v 3.0.1. The PMU had submitted the GHG data to the RSPO Secretariat.

**See Summary of Net GHG Emissions submitted by the POM in the Tables below.**

Based on the details provided in the record of submission, it is also verified that there is no potential liability under the RSPO Remediation and Compensation Procedure at this PMU.

### SUMMARY OF NET GHG EMISSIONS

All information and data below as submitted by the POM was verified against the retrieved summary report generated through **PalmGHG Calculator Version 3.0.1**.

#### GHG Table 1: Summary of Net GHG Emissions (Jan-Dec 2017)

Emissions per Product	tCO <sub>2</sub> e/tProduct
CPO	1.4
PK	1.4

Production	t/year
FFB processed	207200
CPO Produced	40096.40

Extraction	%
OER	19.35%
KER	5.23%

#### GHG Table 2: Summary of Net GHG Emissions

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 46 of 71

Land use	ha
OP planted area	2034.9
OP planted on peat	0
Conservation (forested)	14.95
Conservation (non-forested)	0
<b>Total</b>	2049.85

**GHG Table 3: Summary of Field Emissions and Sinks**

	Own Crop		Group		3rd Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land Conversion	3980.08	1.96	0	0	0	0	3980.08	1.96
CO <sub>2</sub> Emissions from Fertiliser	1310.04	0.64	0	0	0	0	1310.04	0.64
N <sub>2</sub> O Emissions	1038.59	0.51	0	0	0	0	1038.59	0.51
Fuel Consumption	64.06	0.03	0	0	0	0	64.06	0.03
Peat Oxidation	0	0	0	0	0	0	0	0
<b>Sinks</b>								
Crop Sequestration	-3772.79	-1.85	0	0	0	0	-3772.79	-1.85
Conservation Sequestration	-1.37.09	-0.07	0	0	0	0	-1.37.09	-0.07
<b>Total</b>	2483.09	1.22	0	0	0	0	2483.09	1.22

**GHG Table 4a: Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCo <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	4727.37	0.2
Fuel Consumption	433.61	0.02
Grid Electricity Utilisation	666.88	0.03
<b>Credits</b>		
Export of Excess Electricity to Grid and Housing	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	5827.86	0.24

**GHG Table 4b: Palm Oil Mill Effluent (POME) Treatment**

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9319/18-1 FGV Holdings Berhad  
Bukit Kepayang Grouping: Initial Assessment**

Page 47 of 71

Divert to compost	0%
Divert to anaerobic digestion	100%

**GHG Table 4c: POME Diverted to Anaerobic Digestion**

Divert to anaerobic pond	100 %
Divert to methane capture (flaring)	0 %
Divert to methane capture (electricity generation)	0 %

**Principle 8: Commitment to continuous improvement in key areas of activity**

<b>Criterion 8.1</b>		
<p>Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p><b>8.1.1</b> The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides (Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);</li> <li>• Encourage optimising the yield of the supply base.</li> </ul> <p><b>Major Compliance</b></p>	<p>The POM has identified and implemented the following Continual Improvement Action Plans for year 2018:</p> <ol style="list-style-type: none"> <li>1. Increase the quality of the kernel by reducing dirt content, free shell content of less than 3% and efficiency of nut cracking at 96% to 97% at Rolex machine.</li> <li>2. To ensure optimum electricity consumption at &lt; 20 KW/MT.</li> <li>3. To ensure optimum steam boiler consumption at &lt; 600 kg/MT FFB processed.</li> <li>4. To achieve boiler dark emission &lt; 2 Carta Ringelman during operation.</li> <li>5. To achieve zero accident inside the mill.</li> <li>6. To achieve zero road accident outside the mill.</li> <li>7. Increase the efficiency of effluent treatment system through various measures so that BOD of effluent water at final discharge &lt; 50 ppm every month.</li> </ol> <p>The estate has identified and implemented the following Continual Improvement Action Plans for year 2018:</p> <ol style="list-style-type: none"> <li>1. Increase EFB mulching.</li> <li>2. Reuse of fertilizer bags.</li> <li>3. To achieve high yield of 19.89 MT FFB/ha through delivery of FFB to the mill within 24 hours and 3 rounds of harvesting per month.</li> <li>4. Road maintenance for damaged roads.</li> </ol> <p>Social Continual Improvement Action Plans for the POM and estates include the following:</p> <ol style="list-style-type: none"> <li>1. Free transport to the secondary school in Felda Mayam by Terapai 03 Estates for around 30 students.</li> <li>2. Allocation for educational budget to schools in the vicinity of the PMU as incentives for high achievers.</li> <li>3. Active participation in school activities e.g. permission to use estate transports of students excursion, participation in parent-teacher programmes.</li> <li>4. Contributions to the activities conducted by neighbouring Felda settlers, e.g. sports events.</li> <li>5. Provide maintenance of public buildings whenever requested at the Felda Bukit Kepayang settlement.</li> <li>6. Permission for orang asli community to access and maintain</li> </ol>	<p>Complied</p>



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 48 of 71

	their land within the estate boundary. 7. Hari Raya Aidil Fitri and Aidil Adha contributions. Evidence of results was available for the above continuous improvement action plans.	
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# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 49 of 71

## 3.1.1 Supply Chain Certification Standards Findings

The Supply Chain Model applied at Bukit Kepayang POM during this assessment is Model E – CPO Mills: Mass Balance (MB).

Details of findings are as follows:

<b>5. General chain of custody requirements for the supply chain</b>		
	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>		
5.1.1 Legal ownership and physical handling of RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Yes	Complied
5.1.2 Trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Not applicable	Complied
5.1.3 Member of the RSPO and shall register on the RSPO IT platform.	Yes	Complied
5.1.4 Processing aids do not need to be included within an organization's scope of certification.	No processing aids	Complied
<b>5.2 Supply chain model</b>		
5.2.1 Same supply chain model as its supplier	Mass Balance (MB)	Complied
5.2.2 Combination of supply chain models	Only MB	Complied
<b>5.3 Documented procedures</b>		
5.3.1 Written procedures and/or work instructions	Yes	Complied
5.3.2 Internal audit procedure and internal audit conducted to determine compliance.	Yes	Complied
<b>5.4 Purchasing and goods in</b>		
5.4.1 Purchases of RSPO certified oil palm products with all the specified information.	Yes	Complied
5.4.2 Mechanism for handling non-conforming oil palm products and/or documents.	Yes	Complied
<b>5.5 Outsourcing activities</b>		
5.5.1 Outsourcing of activities	Not applicable	Complied
5.5.2 Outsourcing within the scope of its RSPO SC certificate	Not applicable	Complied
5.5.3 Names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	Not applicable	Complied
5.5.4 Names and contact details of new contractor used for the processing or physical handling of RSPO certified oil palm products.	Not applicable	Complied
<b>5.6 Sales and goods out</b>		
5.6.1 Sales of RSPO certified oil palm products with all the specified information.	Yes	Complied
<b>5.7 Registration of transactions</b>		
5.7.1 Transaction registered in the RSPO IT platform and confirmed upon receipt.	Yes	Complied
5.7.2 RSPO IT Platform: Shipping Announcement, Traceability, Confirming Shipping Announcements.	Yes	Complied
<b>5.8 Training</b>		
5.8.1 Training plan on RSPO SC Standards requirements and records of the training.	Yes	Complied
5.8.2 Appropriate training shall be provided	Yes	Complied
<b>5.9 Record keeping</b>		
5.9.1 Accurate, complete, up-to-date and accessible records and reports maintained.	Yes	Complied
5.9.2 Retention times for all record and reports.	Yes	Complied
5.9.3 Volume purchased (input) and claimed (output) over a period of twelve (12) months.	Yes	Complied
<b>5.10 Conversion factors</b>		
5.10.1 Conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs.	Yes	Complied
5.10.2 Conversion rates shall be periodically updated.	Yes	Complied
<b>5.11 Claims</b>		
5.11.1 Claims shall be in compliance with the RSPO Rules on Market Communications and Claims.	Yes	Complied
<b>5.12 Complaints</b>		
5.12.1. Documented procedures for collecting and resolving stakeholder complaints.	Yes	Complied
<b>5.13 Management review</b>		
5.13.1 Appropriate frequency of management review.	Yes	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 50 of 71

5.13.2 All the specified inputs for the management review.	Yes	Complied
5.13.3 All the specified outputs from the management review.	Yes	Complied

### Model E – CPO Mills: Mass Balance (MB)

#### E.1 Definition

Indicators	Findings and Objective Evidence	Compliance
<p>E.1.1</p> <p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3<sup>rd</sup> party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>The POM processed FFB from its own estate, FTPSB Estates, Felda Estates, OCP and smallholders. The FFB from the PMU estate (own supply base) are certified FFB. The FFB from FTPSB Estates, Felda Estates, Outside Crop Producers (OCP) and smallholders are considered as non-certified FFB [see <b>Section 1.3 Description of supply base (fruit sources)</b>]. The CPO Mill is therefore applying the Mass Balance (MB) model.</p>	<p>Complied</p>

#### E.2 Explanation

Indicators	Findings and Objective Evidence	Compliance
<p>E.2.1</p> <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&amp;C certification report. For an independent mill, the estimated tonnage of CPO and PK products shall be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the POM is recorded in this Assessment Report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced has been reported in <b>Section 1.8.2 Table 6 and Section 1.8.3 Table 7</b>.</p>	<p>Complied</p>
<p>E.2.2</p> <p>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).</p>	<p>The POM meets all registration and reporting requirements for the appropriate supply chain through the RSPO Supply Chain managing organization (RSPO IT platform).</p>	<p>Complied</p>

#### E.3 Documented procedures

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## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 51 of 71

<p>E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p>	<p>A documented Supply Chain Procedure Doc No. FGVPM-RSPO SCCS Issue 3.0 Rev 3.0 (Effective 11/06/2018) SOP for Mill RSPO Supply Chain Certification System has been established and implemented. The procedure covered the implementation of all elements of MB Model that include Organization Chart, Management Functions &amp; Job Descriptions, Claims, FFB Delivery Plantation to Mill, CPO/PK Delivery Mill to customer, Record Keeping, Training.</p>	<p>Complied</p>
<p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements</p>	<p>The documented procedure and its implementation confirmed to have complied with all the specified requirements of Mass Balance (MB) Model E.</p>	<p>Complied</p>
<p>b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	<p>The POM Mill Manager, Mr. Haris Bin Hassan has been appointed as the person in charge for the overall responsibility and authority for implementation and compliance with the documented procedure. He is assisted by Assistant Mill Managers, Mr. Muhammad Amir Bin Abdul Rahaman and Mr. Muhammad Magffierah Bin Razali. He and other relevant staff under his charge demonstrated competence, skill and knowledge of the RSPO Supply Chain Certification Standard Model E requirements and its implementation. Interviews of the relevant staff confirmed their knowledge of the RSPO Supply Chain Certification requirements for the respective areas of operations. The Palm Oil Mill Organization Chart and job responsibilities of employees (Mill Manager, Assistant Manager, Operations Supervisor, Security Officer, Weighbridge Operator, Laboratory Chemist, FFB Grader and clerks) have been suitably defined in the SOP.</p>	<p>Complied</p>
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>The SOP covers the receiving of FFB supply from the PMU estates and Outside Crop Producers. All supplies of FFB were subjected to verification of documents (delivery notes) to determine the origin, quantity and quality of the FFB. The Weighbridge Ticket for FFB indicated the date, vehicle number, estate &amp; field number, harvesting date, security seal number and weight. All Storage tanks at the POM are designated as Mass Balance CPO and PK. Monthly FFB and CPO/PK Report and YTD Report for the Jan – Dec 2017 were verified to have complied with requirements of the MB Model whereby the Palm Oil Mill received and processed FFB from its own estate, FTPSB Estates, Felde Estates, OCP and smallholders.</p>	<p>Complied</p>
<p><b>E.4 Purchasing and goods in</b></p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>E.4.1 The facility shall verify and document the volumes of certified and non-certified FFBs received.</p>	<p>The Mill verifies and records tonnages and supply source of FFB received at the weighbridge in the delivery notes and weighbridge tickets and all FFB data are entered by the weighing clerk into the computer system or reporting spreadsheet every day. Daily and monthly reports are submitted to the Regional Office and Kuala Lumpur Head Office through the Mill Performance Report (MPR) system. Production Report for Jan – Dec 2017 verified to be Mass Balance palm products. Satisfactory performance of deliveries of FFB made by transport contractors hired by the estate.</p>	<p>Complied</p>

	Noted that there are FFB from FTPSB Estates, Felda Estates, OCP and smallholders received and processed by the POM, which are considered as non-certified FFB using the Mass Balance Model.	
E.4.2 The facility shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The documented Supply Chain SOP has specified that the responsible POM personnel shall check production quantity against the certified amount and notify RSPO, the CB and Sustainability Department of any projected overproduction of certified tonnage. So far, there is no projected overproduction.	Complied
<b>E.5 Record keeping</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
E.5.1 a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short (i.e. product can be sold before it is in stock).	As per the SOP, the records are archived and to be stored for a minimum of 5 years. Traceability was verified for the Production Report for Jan – Dec 2017 from the related records (FFB Delivery Note, Weigh Ticket, FFB & Truck Daily Summary, Production Report, CPO & PK Storage Report, and CPO & PK Delivery Orders. Transaction documents and bookkeeping of CPO and PK are done daily and monthly summary report of FFB receipt, FFB processed, CPO production, PK production and balance stocks submitted to the Regional Office and Kuala Lumpur Head Office. The two weighbridges at the Mill are duly calibrated and calibration certificates found to be in order. CPO is delivered to Kuantan Oil Products and Kuantan Bulking Installation. There is no Palm Kernel mill for production of PKO at the POM. PK sold and delivered to the Felda Kernel Crushing Plant at Kuantan and Pasir Gudang. Deduction and conversion ratios for the volumes of CPO and PK delivered from the Palm Oil Mill have been appropriately done and recorded. All deliveries of the MB sales are from positive stock. The POM had maintained a monthly summary of all receipts of FFB, production tonnage and dispatch of CPO and PK. This inventory is balanced every 3 months.	Complied

**3.1.2 Status on Supply Chain on POM:**

Based on the documents and records presented during the on-site verifications made, it is concluded that the POM has been able to comply with the requirements of the RSPO SCCS under the ‘MB’ Model and is thus eligible for ‘MB’ trading for its palm products for year 2018/2019.

**3.1.3 Monitoring of CSPO and CSPK traded:**

As this is the Initial Assessment, there is no prior trading of CSPO and CSPK via RSPO PalmTrace and GreenPalm platforms for this PMU.

**3.2 Status of Identified Noncompliance and Corrective Actions, Observations and Positive Elements.**

The status of the Noncompliances (NCR) and Observations (OBS) identified against the MYNI Compliance Indicators is as per the details below:

Assessment Type	Year	Noncompliance (NCR)	Observations (OBS)	Follow up status
Initial Assessment	2018	8 (3 Major and 5 Minor)	2	Next assessment

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 53 of 71

### 3.2.1 Year 2018: Initial Assessment (3 Major NCRs)

NCR	MYNI Indicator	Details of NCR
<b>Major OCL-01</b>	<b>4.7.1</b>	Date issued: 18/07/2018
		<b>Indicator requirement:</b> An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.
		<b>Nonconformance:</b> <b>Location: Bukit Kepayang POM</b> <b>The OSH Plan for year 2018 indicated only the various types of training and did not cover all activities relating to occupational health and safety.</b>
		Root Cause and Corrective Action: <b>Root Cause:</b> Mill personnel only documented the OSH training plan. The OSH activities and programs conducted by mill were not documented in an "OSH Plan".  <b>Corrective Action:</b> The POM had prepared an OSH Plan consisting of the OSG Policy & Objectives, HIRARC, OSH program and activities, OSH training and monitoring of licenses and certificate of competency.
		Verification (Corrective Action): On-site verification carried out on 29/11/2018. The documented OSH Plan is satisfactory. The corrective action satisfactorily addressed the non-conformance.
		<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor: Closed by OCL</b></td> <td style="width: 30%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>
<b>NC status verified by auditor: Closed by OCL</b>	<b>Date closed: 29/11/2018</b>	
		Verification (for effectiveness): Next assessment.

NCR	MYNI Indicator	Details of NCR
<b>Major SH-01</b>	<b>5.2.1</b>	Date issued: 08/08/2018
		<b>Indicator requirement:</b> Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).
		<b>Nonconformance:</b> <b>Location: Bukit Kepayang POM and Terapai 03 Estate</b> <b>(1) At both the mill and estate, the HCV assessment conducted was not complete. It should mention the composition of the assessment team and also their qualification and experience relating to HCV and biodiversity. It also did not document the assessment methodology used.</b> <b>(2) For the POM, the HCV assessment report include other estates that are no longer part of the Bukit Kepayang Grouping, which now consist of only Bukit Kepayang POM and Terapai 03 estate.</b>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 54 of 71

		<p>Root Cause and Corrective Action:</p> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>1. HCV report by PSD team not mentioned the composition of the assessment team and its qualification &amp; experienced due to old template used in providing HCV and biodiversity assessment was in the practice of earlier format and not in accordance with the RSPO requirement or standard.</li> <li>2. Presentation was in the old format which had included the entire supply base. Lack of monitoring on the provision of HCV assessment in accordance with the latest supply base system for new re-certification complex.</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>1. The PSD representatives concerned have conducted HCV briefings and awareness on POM and the affected fields on 04/09/2018. The briefing has highlighted several issues including:               <ol style="list-style-type: none"> <li>(a) Assessment team composition and qualification in HCV report.</li> <li>(b) Experienced assessment team in preparing HCV and biodiversity report.</li> <li>(c) Standard method in preparing the HCV report which include the composition of assessment team.</li> </ol> </li> <li>2. HCV and biodiversity reports were revised for the POM and Terapai 03 Estate.</li> </ol>		
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out on 29/11/2018.            Documentation relating to the above had been seen and found to have made amendments accordingly. The assessment team and their experience is included in the report. Also, for the POM, only the relevant supply base was mentioned. The corrective action satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by SH</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>			
		<p>Verification (for effectiveness): Next assessment.</p>		

NCR	MYNI Indicator	Details of NCR
<b>Major JMD-01</b>	<b>6.5.1</b>	Date issued: 08/08/2018
		<p><b>Indicator requirement:</b></p> <p>Documentation of pay and conditions shall be available.</p>
		<p><b>Nonconformance:</b></p> <p><b>Location: Bkt Kepayang POM</b></p> <ol style="list-style-type: none"> <li>1. <b>Wages for two workers in the month of Jul 2018 were deducted more than 50%. This practice is not complying with Employment Act 1955, Section 24(8).</b></li> <li>2. <b>Three contractors hired by the POM for different types of jobs. However, it was found that the contractors did not have any employment contract signed with their workers.</b></li> <li>3. <b>Contractors did not submit valid driving license, road tax of the vehicles used, Good Driving License [GDL], etc., as part of the contractor legal compliance monitoring.</b></li> </ol>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 55 of 71

		<p>Root Cause and Corrective Action:</p> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>1. The number of deductions exceeding 50% of the total monthly gross income is due to the non-compliance with the guidelines issued by the Human Resources Department, the Head Office where all personnel are required to complete Form SK02 - Amendment 2 (2016) (attached) to make all kinds of deductions @ loan to be made (as stated in GHR Salary Cutting Policies (FGV / GHR / POL / 019)). This situation has caused difficulties to the Human Resources Department in monitoring the amount of monthly salary deduction of the officer.</li> <li>2. Lack of enforcement among the contractors in implementation of employment contract to their worker.</li> <li>3. Lack of enforcement in submission contractor legal compliance such as valid driving license, road tax of the vehicle used, Good driving license</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>1. Instructions for completing Form SK02 - Amendment 2 (2016) to identify the amount of salary deductions of the employee. If there is a deduction of more than 50% of the Total Gross Income, the employer will make a deduction which do not involve employee liens with the Company.(Attachment 1a)</li> <li>2. Submission of staff contract employment by contractor. (Attachment 2a,2b,2c)</li> <li>3. Submission of contractor legal compliance such as valid driving licence, road tax of the vehicle used and Good Driving licence. (Attachment 3a &amp; 3b)</li> </ol>		
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out on 29/11/2018.</p> <ol style="list-style-type: none"> <li>1. Human Resource Internal Directive (“Arahan Dalaman Sumber Manusia Bil:35/2018”) dated 01/10/2018 containing revised instructions for completing Form SK02.</li> <li>2. Employment Contracts for workers hired by the three contractors (Attachments 2a, 2b, 2c).</li> <li>3. Valid driving licence, road tax, License for rubbish transportation [“Lesen vokasional (pengangkut sampah)], License for FFB transportation [“Lesen vokasional (penghantar buah)].</li> </ol> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by JMD</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by JMD</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by JMD</b>	<b>Date closed: 29/11/2018</b>			
		Verification (for effectiveness): Next assessment.		

### 3.2.2 Year 2018: Initial Assessment (5 Minor NCRs)

NCR	MYNI Indicator	Details of NCR
<b>Minor OCL-01</b>	<b>4.4.1</b>	Date issued: 08/08/2018
		<p><b>Indicator requirement:</b></p> <p>An implemented water management plan shall be in place.</p>
		<p><b>Nonconformance:</b></p> <p><b>Location: Terapai 03 Estate</b></p> <p><b>The documented water management plan for Terapai 03 Estate was found to be too general. The estate did not have a site specific water management plan that include the source of water supply and treatment for domestic water, the protection and sustainability of the water source, the two rivers (Sungai Mentenang and Sungai Terapai) passing through the estate and water conservation measures (such as potential rain water harvesting).</b></p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 56 of 71

		<p>Root Cause and Corrective Action:</p> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>1. Lack of understanding the scope of water management plan in order to comply RSPO standard requirement.</li> <li>2. Water Management plan format report used the old standard report which not comply with current RSPO standard requirement.</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>1. Awareness program has been done by PSD team in order to guide Terapai 03 estate in providing Water Management Plan.</li> <li>2. Estate management is provided the details water management plan report in order to comply RSPO requirement standard.</li> </ol>		
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out on 29/11/2018.          Awareness program carried out on 04/09/2018 with attendance list.          Revised Water Management plan found to be satisfactory.          The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by OCL</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by OCL</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by OCL</b>	<b>Date closed: 29/11/2018</b>			
		Verification (for effectiveness): Next assessment		

NCR	MYNI Indicator	Details of NCR
<b>Minor SH-01</b>	<b>5.1.3</b>	Date issued: 08/08/2018
		<p><b>Indicator requirement:</b></p> <p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p>
		<p><b>Nonconformance:</b></p> <p><b>Location: Terapai 03 Estate</b></p> <p><b>(1) The riparian zone was not identified for the river, Sungai Terapai passing through the estate.</b>  <b>The water sampling and water quality analysis of this river was not conducted. There was also no marking or indication of the locations of the water sampling points in the map and at the physical site.</b></p> <p><b>(2) The buffer zone was not identified for the boundary between the estate and forest reserve, Hutan Simpan Cini.</b></p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 57 of 71

		<p>Root Cause and Corrective Action:</p> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>1. There is no identification of buffer zone estate boundary &amp; river passing through the estate.</li> <li>2. Lack of understanding in protection of river in order to comply the RSPO requirement.</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>1. (a) Sungai Terapai has been identified as a river which must be preserved for RSPO requirement.              (b) Estate management has been identified the riparian zone for Sungai Terapai to be preserve and no chemical activities allowed.              (c) The location of water sampling points is identified in the map and at the physical sites.              (d) Awareness program has been conducted by PSD; activities in river preserved for RSPO compliance.</li> <li>2. The buffer zone boundary is identified between estate and forest reserve, Hutan Simpan Cini.</li> </ol>		
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out on 29/11/2018.              Site visit made confirmed that action has been taken to address the river riparian zones where blue marking on trees being conducted to identify the zone. Water sampling was also taken and result on the water quality of the river was also made available.</p> <p>Blue marking on trees were also made to demarcate the buffer for the forest areas. No marking was made where the buffer is identified by existing road network.              The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by SH</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>			
		Verification (for effectiveness): Next assessment		

NCR	MYNI Indicator	Details of NCR
<b>Minor SH-02</b>	<b>5.2.3</b>	Date issued: 08/08/2018
		<p><b>Indicator requirement:</b></p> <p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p>
		<p><b>Nonconformance:</b></p> <p><b>Location: Terapai 03 Estate</b></p> <p><b>The program to educate the workforce and communities on status of RTE is insufficient. There is only one signage, which is insufficient to fully communicate the importance and prohibition of certain activities such as no hunting, no spraying, etc., at the numerous sensitive areas at various locations.</b></p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 58 of 71

		<p>Root Cause and Corrective Action:</p> <p><b>Root Cause:</b> Lack of communication relates to the existence of RTE species and the awareness of RTE preservation to workers.</p> <p><b>Corrective Action:</b> RTE awareness programs are conducted on 17 August 2018 as communication medium to RTE species to employees.</p> <ol style="list-style-type: none"> <li>1. Briefing of RTE species.</li> <li>2. List of employee attendance (Date: 17 August 2018)</li> <li>3. Photo of the briefing program.</li> </ol>		
		<p>Verification (Corrective Action): On-site verification carried out on 29/11/2018.</p> <p>Record of training on status of RTE species was made available. The training has included the whole spectrum of the workforce. Visit to site had also witnessed the placement of signages prohibiting any activities that may be harmful to the RTE species, especially hunting and killing of the RTE species.</p> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by SH</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>			
		Verification (for effectiveness): Next assessment		

NCR	MYNI Indicator	Details of NCR
<b>Minor SH-03</b>	<b>5.3.3</b>	Date issued: 08/08/2018
		<p><b>Indicator requirement:</b> A waste management and disposal plan to avoid or reduce pollution shall be documented and Implemented.</p>
		<p><b>Nonconformance:</b> <b>Location: Bukit Kepayang POM</b></p> <p><b>(1) At the POM, the location for the storage of metal waste was without a signboard and proper demarcation.</b></p> <p><b>(2) EFB was stored at a designated area but it was not in an organized manner.</b></p> <p><b>(3) Plastic bottles was seen strewn all over the main road leading to the mill entrance.</b></p>
		<p>Root Cause and Corrective Action:</p> <p><b>Root cause:</b></p> <ol style="list-style-type: none"> <li>(1) Lack of awareness on the proper demarcation &amp; signboard on the storage of metal waste.</li> <li>(2) Lack of enforcement on management of EFB with organized manner.</li> <li>(3) Lack of awareness of domestic waste management which lead to plastic bottle strewn all over the main road leading to the mill entrance.</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>(1) Proper demarcation &amp; signboard has been installed on the storage of metal waste.</li> <li>(2) Signboard has been installed for awareness of EFB management.</li> <li>(3) The “signboard prohibiting throwing of rubbish” has been installed as part of awareness to waste management control.</li> <li>(4) Awareness of Waste Management has been implemented on 1 August 2018 to Bukit Kepayang POM workforce.</li> </ol>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 59 of 71

		<p>Verification (Corrective Action):                      On-site verification carried out on 29/11/2018.                      (1) Storage areas properly demarcated and signboards erected.                      (2) Minutes of Awareness Waste Management Program on 01 Aug 2018.                      (3) Attendance of Waste Management Program on 01 Aug 2018.                      (4) Photo of the conduct of the program.                      The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by SH</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by SH</b>	<b>Date closed: 29/11/2018</b>			
		Verification (for effectiveness): Next assessment		

NCR	MYNI Indicator	Details of NCR		
<b>Minor JMD-01</b>	<b>6.5.3</b>	Date issued: 08/08/2018		
		<p><b>Indicator requirement:</b>                      Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p>		
		<p><b>Nonconformance:</b>  <b>Location: Terapai 03 Estate</b>                      1. <b>Weekly line-site inspection conducted by the management only covers foreign workers housing quarters. This is not complying with the Workers' Minimum Standards of Housing and Amenities Act 1990, Section 23(2).</b>                      2. <b>Employment contract with foreign workers stated that pillow, mattresses and kitchen utensils will be provided to new workers upon arrival at the estate. However, no distribution record available for verification. Distribution of these items was confirmed only through interview with the workers.</b></p>		
		<p>Root Cause and Corrective Action:  <b>Root Cause:</b>                      1. The scope of inspection only covers foreign workers housing quarters due to lack of understanding in complying the Workers' Minimum Standard of Housing and Amenities Act 1990, Section 23(2).                      2. Distribution record not available during verification due to no systematic record provided after items distribution to the workers.  <b>Corrective Action:</b>                      1. New weekly line-site checklist has been provided with covers local workers housing quarters with include facilities within the estate.                      2. Record of item distribution has been prepared and updated once the distribution items to the new workers.</p>		
		<p>Verification (Corrective Action):                      On-site verification carried out on 29/11/2018.                      1. Checklist inspection of local workers housing quarters.                      2. Attendance of RSPO training program on 04/09/218.                      3. Records of item distribution for new workers.                      The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor: Closed by JMD</b></td> <td style="width: 40%;"><b>Date closed: 29/11/2018</b></td> </tr> </table>	<b>NC status verified by auditor: Closed by JMD</b>	<b>Date closed: 29/11/2018</b>
<b>NC status verified by auditor: Closed by JMD</b>	<b>Date closed: 29/11/2018</b>			
		Verification (for effectiveness): Next assessment		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 60 of 71

### 3.2.3 Year 2018: Initial Assessment (2 Observations)

Ref No:	MYNI Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Remark, if any
OBS# JMD-01	2.1.1	Terapai 03 Estate	Procedure on handling Absconded workers developed by FGV Human Resources Department "Pekerja Lari Meninggalkan Ladang Secara Tidak Sah" (FGV/JTK/POL/001) need to include a process step to report absconded workers to the Immigration Department.	08 Aug 2018		Follow up at next assessment
OBS# JMD-02	6.12.3	Terapai 03 Estate	Management Procedure "FGV/JTK/POL/001" on Foreign Workers developed by Human Resources Dept. only covers workers from Indonesia. This procedure need to be revised to include the management of workers from Bangladesh and India.	08 Aug 2018		Follow up at next assessment

### 3.2.4 Identified Positive Elements

- 1) The PMU has provided proper infrastructure such as roads, housing and sport facilities.
- 2) The PMU has contributed towards the local economy in providing business and employment opportunities. It has made significant financial contributions to the local communities.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 61 of 71

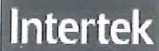
### 3.3 Feedback Raised by Stakeholders and Findings

Prior to and during the Assessment, written and verbal feedback communicated from the stakeholders on the environmental and social performance of Bukit Kepayang PMU operations were sourced. All pertinent feedback issues were reviewed and followed up for verification and these had been accordingly incorporated into the report findings. See tables below:

#### 3.3.1 Feedback Raised by Stakeholders (Initial Assessment – Year 2018)

Communication done via email on 13 Jun 2018 to various categories of stakeholders (see list under **para 2.5**):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
<b>Government Agencies:</b> No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
<b>Non-Governmental Organizations:</b> No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
<b>Local Communities - Stakeholders' Consultation:</b> Selected stakeholders representing the complete range of various stakeholder categories were invited for the Stakeholders' Consultation on 08 Aug 2018. A total of 12 stakeholders (including transporters, government officials, contractors, neighbouring estates, local communities) were present at the consultation. They were interviewed by the auditors without the presence of any of the PMU staff. Concerns and suggestions received during interviews and stakeholder consultations: 1. Some part of the river nearby to the orang asli community already cleaned up by the estate management. Request is to maintain the cleaning programme to ensure source of food from the river not polluted by the activities in the plantation.	The PMU responded that this matter will be reviewed by the management..	To be followed up during the next Assessment.	
<b>Local Communities - Interviews:</b> Interviews of sampled staff and workers were also conducted by the auditors during field visits from 06 to 08 Aug 2018 at the PMU: Staff/Workers sampling: POM = 21 males, 7 females Estate = 26 males, 6 females No issues raised by the sampled staff and workers.	No response needed.	No response needed.	Nil
<b>Other Interested parties:</b> No feedback received.	No response needed.	No response needed.	Nil



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

**Report No.:** R9319/18-1 FGV Holdings Berhad  
Bukit Kepayang Grouping: Initial Assessment

Page 62 of 71

**4.0 ASSESSMENT CONCLUSION AND RECOMMENDATION**

Based on the findings above, FGV Bukit Kepayang Grouping had been able to demonstrate its compliance with the RSPO Principles and Criteria (April 2013), Malaysian National Interpretation (MY-NI 2014) and the RSPO Supply Chain Certification Standard (Jun 2017) for Palm Oil Mill.

Therefore, it is recommended that the certification of FGV Bukit Kepayang Grouping be approved and continued.

Signed for and on behalf of  
Intertek Certification International Sdn Bhd

Dr. Ooi Cheng Lee  
Lead Assessor

Date: 07 Jan 2019

**4.1 Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings**

This is to acknowledge and confirm the assessment visits described in this report and the acceptance of the contents and findings in this assessment report.

Signed for and on behalf of  
FGV Holdings Berhad (800165-P)

Mr. Norazam Abdul Hameed  
Head of Plantations Sustainability Department (PSD)

Date: 12 Feb 2019

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 63 of 71

### 4.2 INTERTEK- RSPO P&C Certificate details for Bukit Kepayang Grouping

Certificate No:	<b>RSPO 931988</b>
Start date:	<b>12 Feb 2019</b>
Expiry date:	<b>11 Feb 2024</b>
Organization	FGV Holdings Berhad (800165-P) (Formerly known as Felda Global Ventures Holdings Berhad)
Address of Head Office:	Plantations Sustainability Department (PSD) Level 20, West Wisma FGV, Jalan Raja Laut 50350 Kuala Lumpur, Malaysia
RSPO Membership No:	1-0225-16-000-00
Plantation Management Unit:	FGV Bukit Kepayang Grouping
Address of POM:	Kilang Sawit Bukit Kepayang, Pejabat Pos Triang, Pahang Darul Makmur, Malaysia
Standards:	RSPO Principles and Criteria (Apr 2013); Malaysian National Interpretation (2014); RSPO Supply Chain Certification Standard (Jun 2017) for the Palm Oil Mill.
Certification scope:	Production of Crude Palm Oil and Palm Kernel
Supply Chain Model for POM	Mass Balance (MB)

Details of the Mill and Supply bases covered by this certificate:

Name	Address	GPS Reference		Mature Planted Area - ha	Certified (Titled) Area (ha)
		Latitude	Longitude		
FGV Bukit Kepayang POM (Capacity: <b>40</b> MT/hr)	Kilang Sawit Bukit Kepayang, Pejabat Pos Triang, Pahang Darul Makmur, Malaysia	3° 16' 11" N	102° 35' 45" E	-	2,552.42
Terapai 03 Estate	d/a Felda Mayam, 28220 Bera, Pahang Darul Makmur, Malaysia	3° 25' 51.98" N	102°46' 53.65" E	1,631.92	

The annual certified tonnages produced at the PMU are detailed as follows:

<b>Bukit Kepayang Grouping</b>	<b>Annual Tonnages (MT)</b>
Certified FFB	18,000.00
Certified CPO	3,618.00
Certified PK	945.00
Supply Chain Model	Mass Balance (MB)

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 64 of 71

## Appendix A:

### Qualifications of Lead Assessor and Assessment Team

#### **Dr. Ooi Cheng Lee (OCL) Lead Assessor / Team Leader / Technical Expert**

(Palm Oil Mill, Environment, OHSAS, Social, HCV, Land Use and Supply Chain)

- PhD in Welding, Cranfield University, UK
- M.Sc. (Engineering) in Metallurgy, University of Birmingham, UK
- B.App.Sc (Hons), Science University of Malaysia
- Diploma in Translation for Science and Technology, Malaysia Translation Society

Dr. Ooi Cheng Lee is an IRCA Lead Auditor and Lead Tutor for ISO 9001. He is also involved in auditing in other integrated management systems. He has successfully completed the RSPO Lead Assessor Course for Principles and Criteria (RSPO P&C) and the RSPO Supply Chain Certification (RSPO SCC). He is currently involved in the management of all types of system and process/product certification in Intertek. He has more than 32 years work experience in product and process specifications, research & development, inspection and testing, quality assurance, engineering development, training, product certification, auditing and quality management system certification. He has conducted assessments of organizations in Malaysia, Singapore, Indonesia, Vietnam, Philippines, China, Myanmar, Cambodia and other regional countries. Assessments include those of rubber and oil palm plantations in Malaysia and Indonesia. His previous position as the General Manager of Lloyd's Register Quality Assurance (LRQA) Malaysia include the management of all types of systems certification, including that of environmental (ISO 14001), safety & health (OHSAS 18001) and Clean Development Mechanisms (CDM). He is currently the General Manager in Intertek Certification International Sdn. Bhd. He is a member of the Internal Review Panel for RSPO Assessment reports since May 2011. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2012.

#### **Mr. Sazali Hasni – Assessor / Technical Expert**

(Environment, Conservation and HCV area)

- Bachelor of Science (Forestry)

Mr. Sazali Hasni (SH) has over 25 years work experience in the forestry sector. He is an IRCA Auditor for ISO 9001 and auditor for the PEFC Chain-of-Custody Certification. He has successfully completed training in the Intertek In House RSPO P&C, MYNI. He was a member in the stakeholder consultation and development of the Malaysian Criteria & Indicators (MC&I) for Forest management Certification. He has been involved in the auditing of Forest Management Certification for the Perak State Forestry Department and Pahang State Forestry Department. He has also been involved with a German based company in testing their criteria for carbon tracing in an oil palm plantation in 2011. He had also acted as the regional consultant to International Tropical Timber Organization (ITTO) for the Asia Pacific region in the Evaluation and Monitoring of Projects funded by the organization from 1994 to 1998. Projects funded are mainly forestry related such as reforestation, conservation, community forestry apart from other research based projects.

#### **Mr. Jumat Majid – Assessor – Social Responsibility and Workers Welfare**

– BSc (Social Science)

Mr Jumat Majid (JM) has over 13 years work experience in the agriculture sector. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001:2008 and RSPO P&C MY-NI Lead Assessor course. He has also successfully completed training programs in Organic Agriculture Development and had performed organic agriculture inspections and assessments for more than 6 years. He has been involved in NGO work in the areas of social impact assessments within the South East Asia region. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2010.



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 65 of 71

### Appendix B: Assessment Plan (Actual)

Date	Time	Assessors and Assessment Activity		
		Assessment Team		
6 August 2018 Monday (Day 1)	7.30 am – 11.30 am	Travel to Bukit Kepayang Palm Oil Mill		
	11.30 am – 12.30 pm	<b>Opening Meeting and Briefing at POM Office (to be attended by representatives from the Estates as well)</b>		
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm – 5.30 pm	Document Review and Assessment by all Assessors on respective RSPO P&C: P1 to P8 at POM		
		<b>OCL</b>	<b>SH</b>	<b>JMD</b>
		<b>Site assessment at Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P4 Best Practices at Mill</li> <li>• P8 Continual Improvement</li> <li>• SCC for POM</li> </ul>	<b>Site assessment at Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P5 Environmental, Conservation &amp; HCV</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> <li>• P8 Continual Improvement</li> </ul>
		<ul style="list-style-type: none"> <li>• Verification of effectiveness of corrective actions for non-conformances</li> <li>• Review of Time Bound Plan</li> <li>• Verification for compliance with rules on Multiple Management Units</li> </ul>		
	5.30 pm – 6.00 pm	Travel to Hotel & Break		
6.00 pm – 7.00 pm	Team Meeting and Discussion			

Date	Time	Assessors and Assessment Activity		
		OCL	SH	JMD
7 August 2018 Tuesday (Day 2)	8.30 am – 12.30pm	<b>Site assessment at Terapai 03 Estate</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P4 Best Practices at Estates</li> <li>• P7 New Plantings</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Terapai 03 Estate</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P5 Environmental, Conservation &amp; HCV</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at L Terapai 03 Estate</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> <li>• P8 Continual Improvement</li> </ul>
		Lunch Break		
	1.30 pm - 5.30 pm	<b>Continue site assessment at Site assessment at Terapai 03 Estate</b>		
	5.30 pm – 6.30 pm	Travel to Hotel & Break		
	6.30 pm – 7.30 pm	Team Meeting and Discussion		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 66 of 71

Date	Time	Assessors and Assessment Activity		
		OCL	SH	JMD
8 August 2018 Wednesday  (Day 3)	8.30 am – 11.00 am	<b>Site assessment at Mill</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• SCC for POM</li> </ul>	<b>Stakeholders' Consultation on the following categories (see Notes 1 and 2 below):</b> <ul style="list-style-type: none"> <li>• <b>Contractors</b></li> <li>• <b>Suppliers</b></li> <li>• <b>Transporters</b></li> <li>• <b>NGOs</b></li> <li>• <b>Government Department / Agencies</b></li> <li>• <b>Local Community</b></li> </ul>	<b>Notes</b> 1. It is mandatory for the PMU to inform Intertek and provide the information (as a minimum the no. of stakeholders in each applicable category and contact number) on the stakeholders <u>prior</u> to the assessment. 2. This will facilitate the random and impartial selection of stakeholders (including independent and organized smallholders, where applicable) and to meet the sample size requirement
	11.00 am – 12.30 pm	Site assessment at POM or estates to follow up on any specific criteria/areas		
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm – 3.30 pm	Preparation for Closing Meeting		
	3.30 pm – 4.30 pm	Team Meeting and Discussions with POM Management Representative		
	4.30 pm – 5.30 pm	<b>Closing Meeting &amp; Briefing at Palm Oil Mill Office</b>		

**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepingang Grouping: Initial Assessment**

Page 67 of 71

**Appendix C-1:**

**Location of FGVHB**

**- Bukit Kepingang Grouping, Triang, Pahang Darul Makmur, Malaysia**

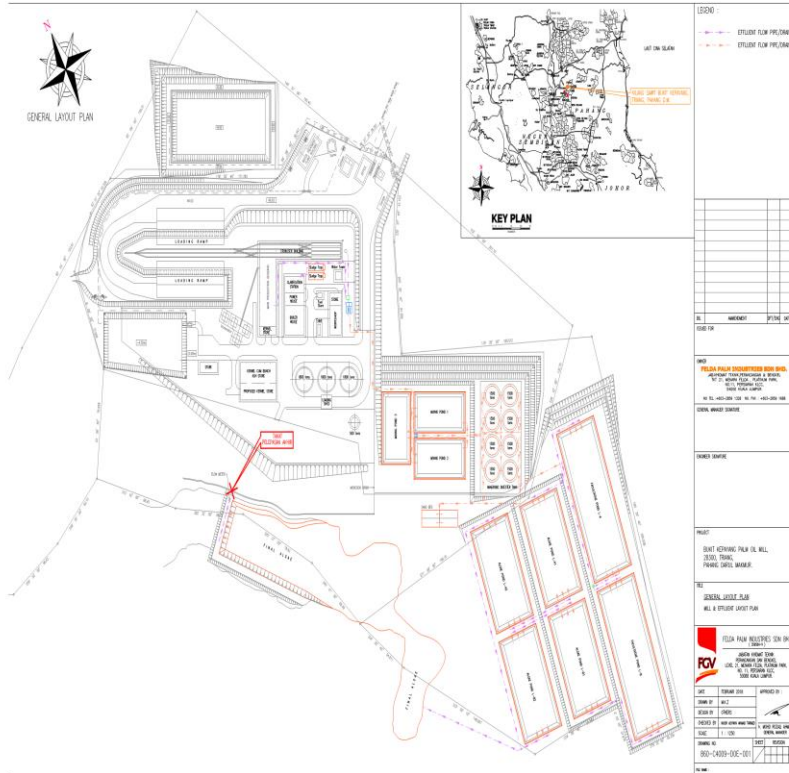


# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepyang Grouping: Initial Assessment**

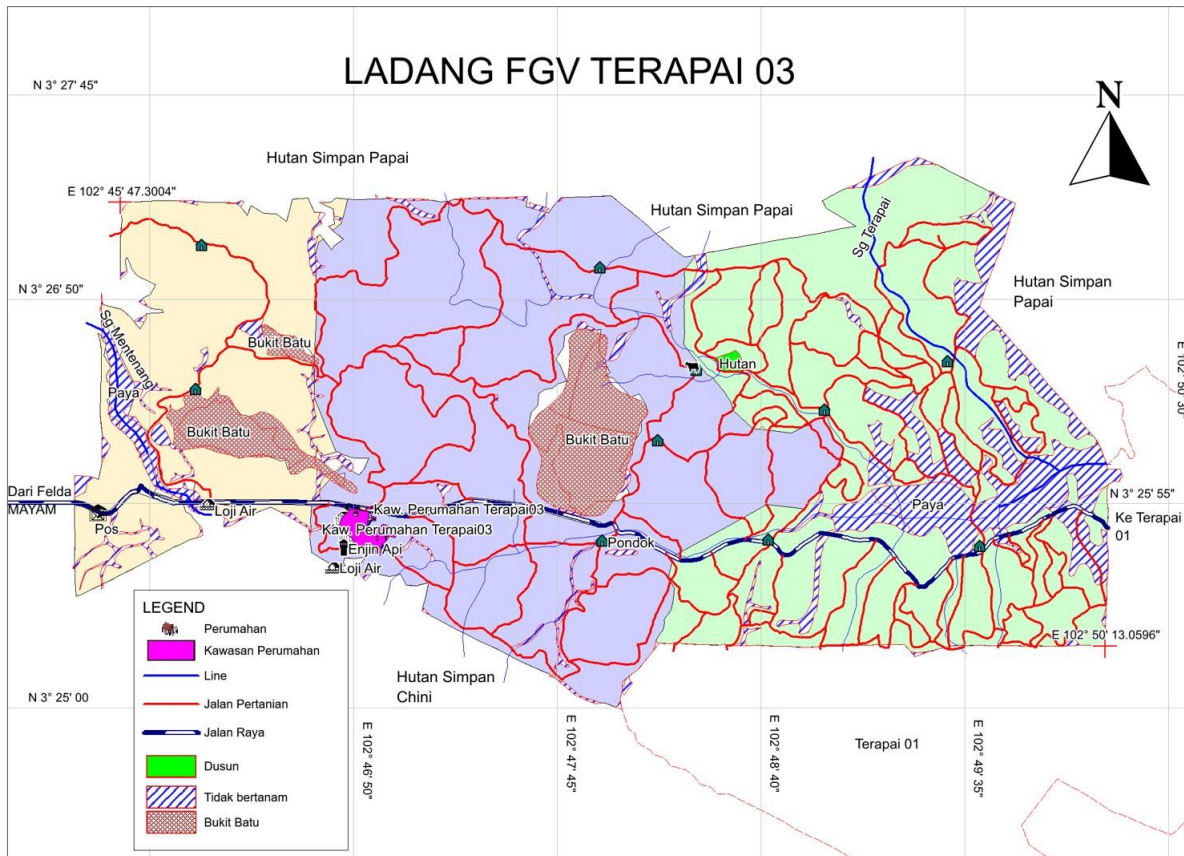
## Appendix C-2-1: Location Map of FGV Bukit Kepyang POM



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepyang Grouping: Initial Assessment**

**Appendix C-2:**  
**Map of FGV Terapai 03 Estate**



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 70 of 71

**Appendix D:**

**Photographs taken at FGV Bukit Kepayang Grouping**

<p>Terapai 03 Estate – Interviewing foreign workers from India and Bangladesh working as harvesters</p>	<p>Terapai 03 Estate – Interview foreign workers from Indonesia, India and Bangladesh working as sprayers</p>
<p>Terapai 03 Estate – Landfill site with proper identification</p>	<p>Terapai 03 Estate – Clear demarcation of the buffer zone at the estate boundary next to the forest reserve Hutan Simpan Papai</p>
<p>Terapai 03 Estate – No clear demarcation of estate boundary next to the forest reserve Hutan Simpan Cini</p>	<p>Terapai 03 Estate – Natural stream running across the estate without demarcation of riparian zone</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: **R9319/18-1 FGV Holdings Berhad**  
**Bukit Kepayang Grouping: Initial Assessment**

Page 71 of 71

### Appendix E:

**Details of Time Bound Plan as submitted by FGVHB (updated 13 Aug 2018)**

FGV RSPO Certifications Time Bound Plan					
No	2017	2018	2019	2020	2021
1	KS SELANCAR 2B	KS CHIKU	KS KALABAKAN	KS KEMAHANG	FGV ASIAN MILLING PLANTATION
2	KS ARING A	KS KERATONG 2	KS KEMBARA SAKTI	KS CHINI 2	FGV YAPID MAS (Golden Land)
3	KS SELENDANG	KS SERTING	KS NILAM PERMATA	KS JERANGAU BARAT	PT CITRA NIAGA PERKASA (Indonesia)
4	KS BUKIT SAGU	KS KERATONG 3	KS HAMPARAN BADAU	KS TROLAK	PT TEMILIA AGRO ABADI (Indonesia)
5	KS KERATONG 09	KS KERTEH	KS MERCU PUSPITA	KS SEMENCHU	FGV estate without mill.
6	KS LEPAR UTARA 06	KS KOTA GELANGGI	KS LANCANG KEMUDI	KS PANCHING	
7	KS MAOKIL	KS JENGA 21	KS EMBARA BUDI	KS AIR TAWAR	
8	KS KEMASUL	KS PENGGELI	KS BAIDURI AYU	KS LOK HENG	
9	KS KRAU	KS BELITONG	KS UMAS	KS SG TENGI	
10	KS LEPAR HILIR	KS KULAI	KS TENGGAROH TIMUR	KS PASOH	
11	KS TRIANG	KS ADELA	KS SELANCAR 2A	KS KAHANG	
12	KS KECHAU B	KS SERTING HILIR	KS BUKIT MENDI		
13	KS PALONG TIMUR	KS BUKIT KEPAYANG	KS JENGA 8		
14	KS BESOUT	KS JERANGAU BARU	KS JENGA 18		
15	KS NERAM	KS TENGGAROH	KS JENGA 3		
16	KS CHINI 3	KS NITAR	KS PADANG PIOL		
17		KS CHALOK	KS TERSANG		
18		KS WAHA	KS PONTIAN UNITED PLANTATION		
19		KS SAMPADI	KS TEMENTI		
20		KS MEMPAGA			
<b>TOTAL</b>	16	20	19	11	5
	16	36	55	66	71
					Certified
					External Audit
					Internal Audit
					Preparation for audit