

FGV HOLDINGS BERHAD

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

PLANTATION MANAGEMENT UNIT
**FGVPISB Kilang Sawit Triang
(FGVH Triang Complex)**
Kuantan, Pahang Darul Makmur, Malaysia



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Assessment Report

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ANNUAL SURVEILLANCE ASSESSMENT
PUBLIC SUMMARY REPORT

FGV HOLDINGS BERHAD

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

PLANTATION MANAGEMENT UNIT
FGVPISB Kilang Sawit Triang
(FGVH Triang Complex)
Kuantan, Pahang, Malaysia

Certificate No:

RSPO 931188

Issued date:

12 June 2018

Expiry date:

11 June 2023

Assessment Type

Initial Certification (Main Assessment)
Annual Surveillance Assessment (ASA-01)
On-site Verification (ASA-01)
Annual Surveillance Assessment (ASA-02)
Annual Surveillance Assessment (ASA-03)
Annual Surveillance Assessment (ASA-04)
Re-Certification

Assessment Dates

04 - 09 Dec 2017
11 - 15 Mar 2019
19 - 21 Jun 2019

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1.0 SCOPE OF ASSESSMENT

1.1 Introduction

This **Annual Surveillance Assessment - 01** was conducted on the Plantation Management Unit (PMU) at FGVPISB Kilang Sawit Triang / FGV Triang Complex of FGV Holdings Berhad (hereafter abbreviated as FGVHB), from **11-15 Mar 2019**, 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 bases which are made up of estates owned and/or managed by FGVHB / FGV Plantations (Malaysia) Sdn Bhd. (FGVPM).

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

FGVPISB Kilang Sawit Triang / FGV Triang Complex consists of one (1) palm oil mill, namely Triang POM and three (3) estates as indicated in Table 1 below, which includes the addresses and GPS locations of the mill and estates. The location maps are provided in **Appendix C**.

The 3 estates are FGVHB / FGVPM owned estates. There are no Felda Smallholders (settlers) managed in this PMU. The palm oil mill is operated under FGV Palm Industries Sdn Bhd (FGVPISB), which is a subsidiary of FGVHB.

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

Name	Address	GPS Reference	
		Latitude	Longitude
FGVPISB KS Triang - POM (Capacity: 54 MT/hr)	FGV Palm Industries Sdn Bhd, Kilang Sawit Triang, 25700 Kuantan, Pahang Darul Makmur, Malaysia.	3.2692°N	102.5799°E
FGVPM Triang 2 estate	FGVPM Ladang Triang 2, 28300 Triang, Pahang Darul Makmur, Malaysia	3.2284°N	102.5250°E
FGVPM Triang 4 estate	FGVPM Ladang Triang 4, 28300 Triang, Pahang Darul Makmur, Malaysia	3.2270°N	102.5250°E
FGVPM Triang Selatan 1 estate	FGVPM Ladang Triang Selatan 1, 28300 Triang, Pahang Darul Makmur, Malaysia	3.1573°N	102.5339°E

Table 1-1: Listing of MPOB Licenses and Validity

Name of Operating Unit (as per MPOB License Name)		MPOB License No.	Validity Period
Palm Oil Mill: FGVPISB Kilang Sawit Triang Capacity (MT/hr): 54 MT/hr.		50020800400	30.03.2019 - 31.03.2020
1	FGVPM Triang 2 estate	558686002000	28.02.2019 – 27.02.2020
2	FGVPM Triang 4 estate	559267002000	30.03.2019 - 31.03.2020
3	FGVPM Triang Selatan 1 estate	558646002000	28.02.2019 - 29.02.2020

1.3 Description of supply base (fruit sources)

The supply base i.e. FFB sources to the POM at FGV Triang Grouping PMU are from the abovementioned 3 estates of this PMU and external FFB from Outside Crop Producers (OCP). The FFB from the PMU estates are certified FFB whilst FFB from OCP are non-certified FFB.

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

Table 2: Estate Area Summary

Estate	Area Summary (ha) As at Mar 2019	
	Certified (Titled) Area	Planted Area
FGVPM Triang 2 estate	1,682.62	1,602.52
FGVPM Triang 4 estate	2,368.90	2,120.72
FGVPM Triang Selatan 1 estate	3,286.76	2,898.34
Total:	7,338.28	6,621.58

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. All the 3 estates were audited with special focus 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.

1.4 Summary of plantings and cycle

The 3 estates have been developed since 1990's and 2 estates are now in the 2nd cycle of planting. The age profile is as shown in Table 3.

Table 3: Age Profile of Planted Oil Palm as at Mar 2019

Estate Name	Year of Planting	Cycle of Planting	Mature OP (ha) – Above 3 years	Immature OP (ha) – 3 years & below	Total Planted (ha)
FGVPM Triang 2 estate	2013 - 2015	2 nd	1,602.52	0	1,602.52
FGVPM Triang 4 estate	2010 - 2011 2013 - 2014 2015 - 2016	2 nd	1,395.98	724.74	2,120.72
FGVPM Triang Selatan 1 estate	1990 -1993 2017 - 2018	1 st 2 nd	2,618.31	280.03	2,898.34
		Total	5,616.81	1,004.77	6,621.58

1.5 Summary of Land Use – Planted, Conservation and HCV Areas

The summary of Conservation and HCV Areas as identified in FGV Triang Grouping during this assessment is as shown in Table 4 below:

Table 4: Statement of Land Use (including Conservation and HCV Areas)

#	Statement of Land Use (Ha)	Hectareage – Ha (As at Mar 2019)
1	Oil Palm - Planted Area (ha)	6,621.58
	OP Mature (Production)	5,616.81
	OP Immature (Non-Production)	1,004.77
	OP Planted on Peat (see note1)	0
	Other crop such as Rubber etc.	0
2	Conservation Area (ha)	0
	Conservation (forested)	0

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	Conservation (non-forested)	0
	Note: Conservation areas such as unplanted steep / hilly and swampy areas, unplanted - buffer zones areas near streams, natural waterways, riparian etc.	
3	HCV Area (ha)	0
	Areas as defined under HCVF Toolkit for HCV 1- 6	0

1.6 Other certifications held and Use of RSPO Trademarks

Presently FGV Triang POM holds valid ISO 9001, ISO 14001 and OHSAS 18001 certifications.

Since RSPO certification, the RSPO's trademarks and logo has not been used by the PMU unit. 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.

1.7 Organizational information / Contact Person

Name: Ameer Izyanif Hamzah

Designation: Head of Sustainability, Certification and Compliance.
Sustainability, Certification and Compliance,
Group Sustainability & Environment Department
FGV Holdings Berhad (FGVHB),
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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 FGV Triang Grouping based on the reporting period for current assessment are as shown in Table 5 below:

Table 5: Tonnages Verified over 12 months
 (Actual: June 2018 - May 2019)

#	Estate /Supplier	FFB Processed (MT)	Main Processing Palm Oil Mill	Certification CB
A	PMU (own estates) (under certification):			
1	FGVPM Triang 2 estate	6493.78	Triang POM	Intertek
2	FGVPM Triang 4 estate	15130.40	Triang POM	Intertek
3	FGVPM Triang Selatan 1 estate	44178.26	Triang POM	Intertek
	(a) Sub-total by PMU estates FFB:	65802.44		
B	External estates under Parent group (certified):	0		-
	(b) Sub-Total other certified estates FFB:	0		-
C	External / Other supplies (non-certified):			
1	FTP BKT KEPAYANG	67.60	Triang POM	-
2	FTP MAYAM	255.54	Triang POM	-
3	FTP PURUN	170.01	Triang POM	-
4	FELDA TEMENTI	2503.14	Triang POM	-
5	FTP TEMENTI	561.08	Triang POM	-
6	FTP SEBERTAK	594.28	Triang POM	-
7	FTP KUMAI	17112.99	Triang POM	-
8	FELDA RENTAM	3735.69	Triang POM	-
9	FTP RENTAM	516.85	Triang POM	-
10	FTP TRIANG 1	12965.82	Triang POM	-
11	FELDA TRIANG 3	860.66	Triang POM	-
12	FTP TRIANG 3	11594.25	Triang POM	-
13	FELDA BKT KEPAYANG	364.33	Triang POM	-
14	FELDA PURUN	431.32	Triang POM	-
15	FELDA SEBERTAK	2559.81	Triang POM	-
16	HAJI MOHD TAHIR BIN MALAKA	203.92	Triang POM	-
17	FELDA KUMAI	32838.88	Triang POM	-
18	FELDA TRIANG 1	1536.72	Triang POM	-
19	MOHAMAD NEHIT	4.38	Triang POM	-
20	MOHD SANUSI SENIK	240.70	Triang POM	-

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21	BERA SELATAN 1	2966.44	Triang POM	-
22	TEMBANGAU 8	5.32	Triang POM	-
23	BERA SELATAN 4	1895.72	Triang POM	-
24	BERA SELATAN 5	1449.82	Triang POM	-
25	TERAPAI 3	67.80	Triang POM	-
26	BERA SELATAN 7	1514.60	Triang POM	-
27	PTS BKT KEPAYANG	31.80	Triang POM	-
28	DZULKEFFLY UJANG	82.07	Triang POM	-
29	JALIAH BINTI DOLLAH	99.60	Triang POM	-
30	MONOLAN MOHAMAD	4.51	Triang POM	-
31	TAI ICHI ENTERPRISE SDN BHD	288.52	Triang POM	-
32	KIM MA OIL PALM (TRANSPORT) SDN BHD	3495.73	Triang POM	-
33	BKF SDN BHD	1736.78	Triang POM	-
34	BAKTI MAS SDN BHD	24935.58	Triang POM	-
35	KOPERASI PENANAM SAWIT MAMPAN DAERAH BERA	1431.41	Triang POM	-
36	NONE TEGUH ENTERPRISE	42.53	Triang POM	-
	(c) Sub-total non-certified estates:	129,166.20		
D	External / Other supplies (non-certified):			
1	KS Pasoh	298.51	Other POM	-
2	KS Serting	1192.81	Other POM	-
3	KS Kepayang	1011.97	Other POM	-
4	KS Serting Hilir	1599.77	Other POM	-
	(d) Sub-total non-certified estates:	4,103.06		
	Grand total (a) + (b) + (c) + (d):	199,071.70		

Note:

- 1) External FFB suppliers are non-certified and comprise numerous smallholders and outgrowers.
- 2) CH unit was only certified on 11 June 2018. Volumes prior to certification date are all non-certified.

1.8.2 Total annual volumes / tonnages of FFB supplied from the supply base to FGV Triang Grouping POM during current assessment period and projected period are as follows:

Table 6: Annual Tonnages of FFB (3 years monitoring)

Estate / Supplier	FFB processed Jun 2017 – May 2018 - Actual		FFB processed Jun 2018 – May 2019 - Actual		FFB for processing Jun 2019 – May 2020 - Projected	
	MT	%	MT	%	MT	%
A. Grouping estates: (under certification)	50,523.29	22%	65,802.44	33%	70,650	33%

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B. External Suppliers: (certified)	-	0%	-	0%	-	0%
C. External Suppliers: (non-certified)	174,437.50	78%	129,166.20	65%	135,000	65%
D. External Suppliers: (Diverted) (non-certified)	-	0%	4,103.06	2%	5,500	2%
Total	225,670.40	100.0%	199,071.70	100.0%	205,650	100.0%
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 – FFB, CPO & PK

POM	Year: Jun 2017 – May 2018 - Actual		Year: Jun 2018 – May 2019 - Actual		Year: Jun 2019 – May 2020 - Projected	
Total FFB Processed (MT)	*50,523.29 (Non-certified)		65,802.44		70,650	
Total CPO Production (MT)	*9,402.38	OER: 18.61 %	12,792	OER: 19.44 %	13,425	OER: 19.00%
Total PK Production (MT)	*2,652.47	KER: 5.25 %	3,632	KER: 5.52 %	3,709	KER: 5.25%

Note:

- 1) * Volumes produced in Jun 2017 – May 2018 are non-certified i.e. prior to certification, which starts 11 June 2018.
- 2) There is an expected increase in the FFB supply from FGVP M Triang PMU estates as replanted palms are expected to mature over next 12 months. The POM is also expecting an increase in FFB supply from External /Other Suppliers in order to maintain the processing quantities needed at the POM. (see Table 3: Age Profile of planted Oil Palm).

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.**

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1.9 Time Bound Plan for Multiple Management Units

Previously, FGV 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, FGV and FELDA voluntarily withdrew from RSPO P&C certification for all the PMUs subsequent to the allegations and complaints regarding labour issues. The details were available at 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/)
<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.](http://www.feldaglobal.com/fgv-clarifies-on-wall-street-journal-allegations-of-abuses-of-malaysian-plantations/#sthash.vsdSEPqp.dpuf)
<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>

It is noted that FGV has taken actions to resolve the issues resulting from the complaints. Consequently, FGV obtained a separate RSPO membership on 27 Dec 2016 (RSPO Membership No: 1-0225-16-000-00) and its PMUs are no longer under the RSPO membership of FELDA. The RSPO membership under FELDA was retained for the purpose of implementing and complying with the RSPO Independent and Group Smallholders Scheme.

FGV 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 FGV 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.

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

Intertek was able to verify that FGV 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 of Jan to Dec 2017 as required **under the RSPO Certification System requirements (Jun 2017) clause 4.5 - Multiple Management Units** and declared that there potential labour issues such as the need for a clear understanding of employment contracts by foreign workers, pay slip discrepancies and suitable housing, are in the process of being resolved.

FGV 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, Felda Global Ventures Holdings Berhad ("FGV") had cleared peat forest, contrary to its policies and industry standards, on its PT Temila Agro Abadi ("PT TAA") plantation in West Kalimantan, Indonesia.

FGV 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 FGV.


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Verification of requirements for Uncertified Management Units:

RSPO CS (2017) Clause 4.5.4		
(a) No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since January 1st, 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;		
Requirements	Findings and Objective Evidence	Compliance
(a) Is there any replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3	<p>There is an allegation that FGV had cleared peat forest in Kalimantan:</p> <p>Complaint by: Chain Reaction Research</p> <p>Date Complaint Submitted: 19 Apr 2017</p> <p>Location of Complaint: Indonesia</p> <p>Region / District / Province: West Kalimantan</p> <p>Summary of Complaint: There was a report issued by Chain Reaction which informed the fact of FGV in Kalimantan's concession had cleared 1600 Ha peat forest.</p> <p>On 25th April 2017 Secretariat had a meeting with FGV and they claimed that they only planted on less than 100 Ha on a shallow depth.</p> <p>Current status: Still under investigation</p> <p>Audit note: It is noted that as at todate, the investigation and needed resolution on above issue is still in progress.</p>	Resolution is in progress. Updates to be further check prior to next audit of FGV unit.
<ul style="list-style-type: none"> Is there any new plantings since January 1st 2010 and did the new plantings comply with the RSPO New Planting Procedure (NPP) 	<p>The status of NPP for various new plantings as in attached document:</p> <div style="text-align: center;">  <p>Proposal for New Planting Area.docx</p> </div> <p>In summary,</p> <p>(1) Land development cannot proceed due to HCV area in Ladang Tembangau 05.</p> <p>(2) Land development was stopped at PT TAA, Kalimantan due to the allegation by Chain Reaction.</p> <p>(3) Proposed Land development did not proceed at Asian Plantation Limited.</p> <p>Audit note: It is noted the NPP issues and proposals for the said land areas is still in progress of further review and resolution.</p>	Continued monitoring by CB on the cases concerned.
<ul style="list-style-type: none"> Was the new planting development verified by an RSPO accredited CB; 	<p>NPP document for Asian Plantation Limited (APL) had been sent to Control Union Certification for CB verification.</p> <p>FGV had not proceeded with proposed land development at said areas.</p>	Continued monitoring by CB on this case.
(b) Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;		
(b)	At this stage, no official land conflict involving FGV reported to RSPO.	Complied
<ul style="list-style-type: none"> Are there any existing Land conflicts and is it being resolved 		

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<p>through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;</p>																	
<p>(c) Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;</p>																	
<p>(c)</p> <ul style="list-style-type: none"> Are there any existing Labour disputes and is it being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3; 	<p>Matter of Public Interest taken up by the Complaints Panel of the RSPO (This was not a complaint):</p> <p>Date Complaint Submitted: 26 Jul 2015</p> <p>Location of Complaint: Negri Sembilan</p> <p>Region / District / Province: Peninsular Malaysia</p> <p>Summary of Complaint: On the 26th of July 2015, WSJ ran an article by Syed Zain Al – Mahmood alleging that Felda has breached labour conditions in its plantations. The allegations mainly say that forced labour is being used and the workers are not paid minimum wages. Further, it is alleged that their health and working conditions is are neglected and also that their employers withheld their passports.</p> <p>Current status: Case closed</p>	<p>Complied</p>															
<p>(d) Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;</p>																	
<p>(d)</p> <ul style="list-style-type: none"> Are there any Legal non-compliance and is it being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1; 	<table border="1" data-bbox="443 1227 1241 1585"> <tr> <td data-bbox="443 1227 523 1585">3.4.5</td> <td data-bbox="523 1227 662 1585">Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</td> <td data-bbox="662 1227 1241 1283">There is 1 issue happen in FGVPM Palong Timur 04 (Now FGVPM Palong Timur 05) and the details is elaborated below:</td> </tr> <tr> <td data-bbox="662 1283 719 1585">NO.</td> <td data-bbox="719 1283 810 1585">ESTATE</td> <td data-bbox="810 1283 890 1585">LEGAL ACTION</td> <td data-bbox="890 1283 1002 1585">DATE</td> <td data-bbox="1002 1283 1129 1585">VALUE OF SUMMON</td> <td data-bbox="1129 1283 1241 1585">SUMMON STATUS</td> </tr> <tr> <td data-bbox="662 1440 719 1585">1</td> <td data-bbox="719 1440 810 1585">FGVPM PALONG TIMUR 04 (NOW FGVPM PALONG TIMUR 05)</td> <td data-bbox="810 1440 890 1585">Claims</td> <td data-bbox="890 1440 1002 1585">19.06.2012</td> <td data-bbox="1002 1440 1129 1585">RM61,968.60</td> <td data-bbox="1129 1440 1241 1585">Court Appeal</td> </tr> </table> <p>The dispute between FGVPM Palong Timur 04 vs Ahmad Tukiman & 7 other in Mahkamah Rayuan No: J-08-505-11/2017 form Oct 2016 until May 2018 has been closed and payment to the dependent has been paid through their lawyer, Muhendran Sri (Advocates & Solicitors) for the sum of RM77,230.52</p> <p>Other dispute case: As at July 2019, there was no occurrence of any labour disputes.</p>	3.4.5	Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	There is 1 issue happen in FGVPM Palong Timur 04 (Now FGVPM Palong Timur 05) and the details is elaborated below:	NO.	ESTATE	LEGAL ACTION	DATE	VALUE OF SUMMON	SUMMON STATUS	1	FGVPM PALONG TIMUR 04 (NOW FGVPM PALONG TIMUR 05)	Claims	19.06.2012	RM61,968.60	Court Appeal	<p>Complied</p>
3.4.5	Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	There is 1 issue happen in FGVPM Palong Timur 04 (Now FGVPM Palong Timur 05) and the details is elaborated below:															
NO.	ESTATE	LEGAL ACTION	DATE	VALUE OF SUMMON	SUMMON STATUS												
1	FGVPM PALONG TIMUR 04 (NOW FGVPM PALONG TIMUR 05)	Claims	19.06.2012	RM61,968.60	Court Appeal												
<ul style="list-style-type: none"> Has the organisation conducted an Internal Audit on the above (a) to (d)? 	<p>FGV has conducted internal audit for 69 out of 71 complexes. However, internal audits were not conducted for the remaining two complexes PT CNP and PT TAA. It was stated that FGV had planned to conduct the audits on the said two units (complexes) before year end of 2019. The Internal Audit department is still being revamped.</p> <p>An Observation was issued as follows: <u>Follow up monitoring needed:</u></p>	<p>OBS:AL-01</p>															

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<ul style="list-style-type: none"> Has the evidence been submitted for verification? 	<p>Updates on the internal audit on the said 2 PMU units (at Indonesia) to made available for verification be verified prior to next audit of FGV unit.</p>	
<ul style="list-style-type: none"> Has a positive assurance statement been produced based on the internal audit and other supporting assessments results? 	<p>At the time of audit, FGV is in process of finalizing a revised and clearer positive assurance statement for the FGV HB group due to present internal Management re-structuring.</p> <p>An Observation was issued as follows: <u>Follow up monitoring needed:</u> Updates will be further check prior to next audit of FGV unit.</p>	OBS:AL-02
(e) Are the evidences provided in 4.5.4 (a)-(d) adequate?	Except for the above Observations raised, evidences provided are adequate.	Complied
(f) Are the evidences provided in support of the Positive Assurance statement adequate?	Except for the above Observations raised, evidences provided are adequate.	Complied
(g) Has the targeted stakeholder consultation, including consultation with the relevant NGO's carried out revealed any negative feedback?	Stakeholder comments are recorded in stakeholder consultations report 2017 & 2018. No negative feedback except for the allegation by Chain Reaction.	Subject to further monitoring.
(h) Has desktop study e.g. web check done revealed complaints which were not addressed?	Desktop study found that FGV responded to the complaints.	Complied
(i) Is further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements at the uncertified units, needed to done?	<p>Based on above findings made under part (a) to (h), no further stakeholder consultation or field inspection is considered necessary at the said uncertified units at present.</p> <p>Further stakeholder consultation done on the uncertified units with FGV HQ and responses to NGOs/Complainants were available and evaluated.</p> <p>The progress of monitoring done and information publicly available on the existing issues on the said units are verified to be adequate but need further improvement.</p>	Complied
(j) <ul style="list-style-type: none"> Is there any non-compliance against a major indicator in the non-certified management unit identified? Is the identified major NC being actively addressed? Can the current assessment proceed to a successful conclusion? 	<p>Based on above findings and evaluation made under part (a) to (j), on the said uncertified units, the existing issues were noted to be actively addressed with progress reports available.</p> <p>Thus, it is evaluated and verified that the current assessment at this PMU can be proceeded and certification can be successfully concluded subject to effective closure of any findings at the present PMU / CH unit to be audited at site.</p>	Complied

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(k) Is there failure to address any outstanding non-compliances within uncertified unit(s) regarding 4.5.4 (a) – (d) which may lead to certificate suspension(s) to the certified unit(s)?	Except for the two Observations raised, there is no evidence to suggest such failure at the uncertified units which may affect the certification of this PMU / CH unit.	Refer to OBS:AL-01 & OBS:AL-02
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Conclusion:

Intertek had also referred to the RSPO's Complaints and Remediation & Compensation (RaCP) websites for the tracking of complaints and other legitimate issues which was filed against the FGV. The progress of resolutions and FGV's statements of response and actions currently being undertaken to comply with their Sustainability commitments are indicated in **Appendix E** of the assessment report.

The publicly available updates of announcements on the progress of formal complaints as documented by RSPO and responses made by FGV are continually reviewed by Intertek to ensure that all issues as formally lodged and recorded against the FGV units are duly considered prior to conducting any ongoing certification assessments.

Based on Intertek's review progress made to-date, FGV is noted to have generally maintained its commitment under the RSPO Certification System requirements for Multiple Management Units, to ensure that the issues are being resolved through an established agreed process.

1.10 Abbreviations Used

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

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2.0 ASSESSMENT PROCESS

2.1 Assessment Methodology, Plan and Site Visits

Since **11 Feb 2019**, 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 FGV Triang Grouping regarding the environmental, biodiversity, community development and other relevant issues.

From **11-15 Mar 2019**, the Assessment team conducted the Assessment in which all the 3 estates (i.e. FGVP M Triang 2, Triang 4 and Triang Selatan 1 estates) of FGV Triang Grouping as well as the palm oil mill were assessed for compliance against the RSPO requirements (since sampling is only applicable if there are more than 4 estates in the PMU, all the estates were assessed at every assessment).

During the on-site assessment, relevant documents and records, including Standard Operating Procedures (SOP), management plans, hectare 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).

FGV Triang 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 Module 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 the independent External Peer Reviewer for Initial / ReCertification audits) 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 globally offering certification across a wide range of industries.

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2.5 Process of stakeholder consultation

Stakeholder consultations began with notification of the upcoming assessment through the websites of RSPO, FGV 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 (SOCSO) – Pahang

Statutory Bodies (by emails)

19. Malaysian Palm Oil Board (MPOB)
20. Malaysian Palm Oil Board (MPOB) - Southern Region
21. Malaysian Palm Oil Board (MPOB) - Eastern Region
22. Malaysia Palm Oil Association (MPOA)
23. Malaysia Palm Oil Association Kuala Lumpur (MPOA)
24. Malaysian Agricultural Producers Association (MAPA)
25. National Union for Plantation Workers (NUPW)
26. UNION - AMESU

NGOs (by emails)

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

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46. Malaysian Nature Society Pahang
47. Malaysian Plant Protection Society (MAPPS)
48. National Council of Welfare & Social Development Malaysia - NCWSDM
49. National Union of Plantation Workers (NUPW)
50. Partners of Community Organisations (PACOS)
51. Pesticide Action Network Asia and the Pacific (PAN AP)
52. Proforest - South East Asia Regional Office
53. SUARAM - Suara Rakyat Malaysia
54. SUHAKAM - National Human Rights Society - Persatuan Kebangsaan Hak Asasi Manusia
55. Sustainable Development Network Malaysia (SUSDEN)
56. Tenaganita Sdn Bhd
57. The Malaysian Forum of Environmental Journalist (MFEJ)
58. TRAFFIC - the wildlife trade monitoring network
59. TRAFFIC Southeast Asia - Wildlife trade & trafficking monitoring programme
60. Treat Every Environment Special Sdn Bhd. (TrEES)
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

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3.0 ASSESSMENT FINDINGS

3.1 Summary of findings

Principle 1: Commitment to transparency

Criterion 1.1 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.		
Indicators	Findings and Objective Evidence	Compliance
1.1.1 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. Minor Compliance	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 11 Feb 2019. No request for information from stakeholders for this PMU.	Complied
1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	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 estates have conducted internal and external stakeholders’ consultation records of stakeholders’ feedback maintained (positive and negative) and management action plans recorded.	Complied
Criterion 1.2 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.		
Indicators	Findings and Objective Evidence	Compliance
1.2.1 Management documents that are made available to the public shall include, but are not necessarily limited to: Major Compliance	The organization’s policies declared that upon request, the following types of mandatory documents are available to the public: <ul style="list-style-type: none"> • land titles/user rights, • occupational health and safety plan, • plans and impact assessments relating to environment and social impacts, • pollution prevention plans, • details of complaints & grievances, • negotiation procedures • continuous improvement plan • Public summary of certification assessment report. • Human Rights Policy. These publicly available documents include key indicators of performance like waste management and disposal plans for the mill and estates. Also, Continual Improvement Action Plans include targets for waste reduction and pollution prevention.	Complied

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<ul style="list-style-type: none"> Land titles/user rights (Criterion 2.2); 	<p>Copies of all land titles were available and have been maintained at the POM and Estates. HQ kept the original copies.</p> <p>Verified on site that the land titles were in order and are under a 99-year concession lease from Jan 1999 till Jan 2098 from the Pahang State Government.</p>	<p>Complied</p>
<ul style="list-style-type: none"> Occupational health and safety plans (Criterion 4.7); 	<p>Occupational Safety and Health (OSH) Plan that cover OSH Policy and risk assessment (HIRAC) was documented and implemented for both mill and estates.</p>	<p>Complied</p>
<ul style="list-style-type: none"> Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); 	<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. Environmental aspect and impact assessment conducted for the POM and estates and its action plan documented and implemented for both mill and estates.</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>	<p>Complied</p>
<ul style="list-style-type: none"> HCV documentation (Criteria 5.2 and 7.3); 	<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.</p> <p>HCV Identification report initially conducted on the PMU estates in Sep 2017 reported the following:</p> <p>(a) No significant HCV area found in the PMU.</p> <p>(b) Certain portions of the boundary of the estates are adjacent to forest reserves.</p> <p>(c) Biodiversity areas in the forest reserves with species of wildlife such as wild boars, jungle fowls, monitor lizards, snakes, long tailed macaques and other monkey species.</p> <p>Action Plan documented for biodiversity in all the estates with specific actions to be taken by the Estate Manager / Assistant Manager.</p>	<p>Refer to: Major NC: SH-02 on Indicator 5.2.2</p>
<ul style="list-style-type: none"> Pollution prevention and reduction plans (Criterion 5.6); 	<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>	<p>Complied</p>
<ul style="list-style-type: none"> Details of complaints and grievances (Criterion 6.3); 	<p>The PMU has established and implemented a documented procedure ML-1A/L2-Pr13 Issue 1 Rev 0 dated 01/06/2016 for complaints and grievances.</p> <p>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 estates with a Complaints and Grievances Form for recording any complaints/ grievances.</p> <p>A Complaint Book ("Buku Aduan") is also maintained in the POM and estates. 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>	<p>Complied</p>

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• Negotiation procedures (Criterion 6.4);	The PMU has established a documented procedure: ML-1A/L2-Pr12 Issue 1 Rev 0 dated 01/06/2016 for participatory communication and negotiation. There was no case of any land claims in the PMU.	Complied
• Continual improvement plans (Criterion 8.1);	The PMU has established and implemented a documented procedure: ML-1A/L2-Pr7 Issue 1 Rev 0 dated 01/06/2016 for continual improvement.	Complied
• 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 Felda Global Ventures 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 estates.	Complied
Criterion 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.		
Indicators	Findings and Objective Evidence	Compliance
1.3.1 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. Minor Compliance	The Policy of commitment to a Code of Ethical Conduct and Integrity has been documented and signed by the President and CEO of Felda Global Ventures 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 estates.	Complied

Principle 2: Compliance with applicable laws and regulations

Criterion 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.		
Indicators	Findings and Objective Evidence	Compliance

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<p>legal requirements, shall be maintained. Minor Compliance</p>	<p>identifying, determining, reviewing and updating applicable legal and other requirements. It included the listing of laws and regulations that were being monitored for changes.</p>	
<p>2.1.3 A mechanism for ensuring compliance shall be implemented. Minor Compliance</p>	<p>Monitoring mechanism was done via the annual review against the items in the Legal Register. The POM and the estates have carried out the review Oct 2018. Internal audit was conducted by the HQ-SPO team in Nov 2018 for determining compliance of its operations with RSPO and legal requirements. Records were maintained. Noncompliance finding: In Triang 2 Estate, the contractor hired, i.e. NS 0162219-V, was using at least five different vehicles to transport EFB from the mill to the estate. However, it was found no evidence of submission of valid drivers' licenses for its drivers and road taxes for its vehicles submitted to the estate office.</p>	<p>Refer to Major NC: JMD-01</p>
<p>2.1.4 A system for tracking any changes in the law shall be implemented. Minor Compliance</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>Complied</p>
<p>Criterion 2.2 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.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>2.2.1 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. Major Compliance</p>	<p>Copies of the land titles of the mill and FGVPM of Triang 2, Triang 4 and Triang Selatan 1 estates were maintained and found to be in order. The original copies are maintained by the Corporate Head office. The legal use of the land confirmed to be for cultivation of oil palm and agricultural use. Records are available to show that the land lease of 99 years comply with legal requirements and does not infringe on any legal rights that require free, prior and informed consent (FPIC). Documented evidence of payments of quit rents for the estate to the district land authorities of the State of Pahang.</p>	<p>Complied</p>
<p>2.2.2 There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance</p>	<p>No change to the stated land titles and designated use for cultivation of oil palm and agricultural use. Locations of several boundary stones and markers were visited and verified to be within the perimeters of the estates. On-site verification confirmed that there has been no planting beyond the legal demarcated boundary areas of the mill and estates.</p>	<p>Complied</p>
<p>2.2.3 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</p>	<p>There has been no dispute on the land rights in the PMU. As such, the process of fair compensation and FPIC is currently not required to be applied for the PMU.</p>	<p>Complied</p>

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<p>been accepted with free, prior and informed consent (FPIC).</p> <p>Minor Compliance</p>		
<p>2.2.4 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>Major Compliance</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> <p>(a) Local community rights and customary rights. (b) Resolution plan and compensation. (c) Compliance and boundary stone demarcation.</p> <p>There is currently no land dispute in the PMU.</p>	Complied
<p>2.2.5 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>Minor Compliance</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>2.2.6 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>Major Compliance</p>	<p>No evidence that the palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p>	Not applicable
<p>Criterion 2.3 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>		
Indicators	Findings and Objective Evidence	Compliance
<p>2.3.1 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).</p> <p>Major Compliance</p>	<p>Verified that the boundary and field maps available and used has shown the extent of their respective legal boundaries. No infringement noted into areas beyond their land titled areas.</p> <p>The lands are not encumbered by any customary lands or user rights and therefore the process of participatory mapping is not required.</p>	Complied
<p>2.3.2 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:</p> <p>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;</p>	<p>The lands were granted by State government of Pahang in the 1980's with the right to develop it as oil palm plantations.</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>Presently, there are no further cases of land conflicts reported.</p>	Complied

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<p>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;</p> <p>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.</p> <p>Minor Compliance</p>		
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</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>2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>Major Compliance</p>	<p>This process is not applicable during current assessment.</p>	<p>Not Applicable</p>

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

<p>Criterion 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p>Major Compliance</p>	<p>Business Management Plans were documented at the Palm Oil Mill and respective Estates for the 3-years period from 2018-2021. Details of POM Management Plan include the following: (1) <i>Mill extraction rates = OER and KER trends;</i> (2) <i>Cost of Production = Cost/MT CPO trends;</i> (3) <i>Forecast prices;</i> (4) <i>Financial indicators = Cost of labour & services, cost of supplies and equipment, depreciation costs, salary costs, management costs, cost of materials, etc.).</i></p> <p>Details of Estates Management Plan include the following: (1) <i>Replanting program (planting materials are DxP seedling and cloned seedling;</i> (2) <i>Crop projection = FFB yield/ha trends;</i> (3) <i>Cost of Production = Cost/MT FFB trends;</i> (4) <i>Forecast prices;</i> (5) <i>Financial indicators = Cost of labour, cost of facilities, cost of materials, etc.).</i></p> <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</p>	<p>Complied</p>

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	<p>maintenance, domestic waste collection, maintenance of buffer zones).</p> <p>Mill and Estate Managers have monitored the operational performance against Key Performance Indicators (KPIs) and targets (costs, FFB yields, quality, productivity, pesticides usage, fertilizers usage, etc.). Evidence of monitoring of costs against budget to achieve specified targets were verified.</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 were noted to be submitted to the HQ.</p>	
<p>3.1.2 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>Minor Compliance</p>	<p>Replanting program for estates sighted for the period of 2015 - 2020. Evidence of the replanting program planned, reviewed and on-going implementation carried out.</p> <p>Replanting at Triang 2 estate was completed in year 2015 and about 65% of palms are still under immature stage. All matured in 2019.</p> <p>Replanting at Triang 4 estate was completed in year 2016 and about 54% of palms are still under immature stage in 2019</p> <p>Replanting at Triang Selatan 1 estate is had commenced in 2017 and expected to complete by 2021/22. Rate of replanting about 200-250 ha per year.</p>	<p>Complied</p>

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

<p>Criteria 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented.</p> <p>Major Compliance</p>	<p>The POM has documented the following SOPs:</p> <ol style="list-style-type: none"> 1. Palm Oil Mill Operation Manual. 2. Laboratory Operation Manual. 3. Quality, Environmental and Occupational Health & Safety Manual and Procedures of Palm Oil Mill. 4. Supply Chain Procedure Doc No. FGVPM-RSPO SCCS Issue 3.0 Rev 1.0 (Effective 01 Dec 2017) SOP for Mill RSPO Supply Chain Certification System using the Mass Balance (MB) module. <p>The estates have the following SOPs:</p> <ol style="list-style-type: none"> 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 & diseases control. The SOP for pesticides specifies safe working practices and application of pesticides. It includes annual medical surveillance for pesticides operators. 2. SOP for riparian zone management with specified buffer zones. Relevant Key Performance Indicators (KPIs) specified for quality, environment, safety and cost control. 	<p>Complied</p>
<p>4.1.2 A mechanism to check consistent implementation of procedures shall be in place.</p> <p>Minor Compliance</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 PMU had also conducted an internal audit between Aug and Oct 2018 for determining compliance of its operations with RSPO</p>	<p>Complied</p>

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	requirements and legal requirements. Internal Audit Report was sighted and adequately conducted.	
4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Daily Muster Chits were available at estates and actual field activities were verified during on-site field inspection. Verified that spraying, manuring and harvesting activities were carried out as stated in the Muster Chits. Records of monitoring of the plantation activities at Triang 02, 04 and Selatan 01 estates had included review and analysis of achievement level done e.g. harvesting, IPM, EFB application etc. Thus, previous NC:AL-01 was addressed and closed in current audit.	Complied
4.1.4 The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	Verified that the POM maintained records on the origins of all third-party sourced Fresh Fruit Bunches (FFB) i.e. from external outgrowers and independent smallholder estates, which were satisfactorily maintained.	Complied
Criteria 4.2 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
4.2.1 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. Minor Compliance	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 Felde Agricultural Advisory Services Sdn Bhd (FASSB). These had been verified through the records for fertilizer application and observation during field visit. Evidences provided were verified as following good agricultural practices. 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.	Complied
4.2.2 Records of fertiliser inputs shall be maintained. Minor Compliance	Records of fertilizer application at the estates were maintained and verified to be satisfactory.	Complied
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	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. Records of the sampling and analysis had been verified to be satisfactory.	Complied
4.2.4 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. Minor Compliance	EFB mulching had been carried out in mature area along the inter-row, and around the circle in the immature palms. EFB mulching records verified to be satisfactory. There was no land application of POME at the estates in the PMU.	Complied
Criteria 4.3 Practices minimise and control erosion and degradation of soils.		
Indicators	Findings and Objective Evidence	Compliance

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<p>4.3.1 Maps of any fragile/marginal soils shall be available. Major Compliance</p>	<p>Based on the soil maps and field visit verification, there was no fragile soil or marginal soil existence on the estates. Soil types in the estates are as follows: Triang 2: Bunggor, Durian Laterite, Harimau, Malacca series. Colluvium near flood prone areas. Low lying / Swampy areas identified at: 1) Block PR14E (Planted 380.91 ha of 399.27ha) – low yield 2) Block PR13D (P-548.85 ha of 590.07 ha) – low yield Triang 4: Rasau, Durian, Bunggor and Malacca series Triang Selatan 1: Malacca, Durian and Harimau series.</p>	<p>Complied</p>
<p>4.3.2 A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance</p>	<p>Planting terraces constructed on land with slope more than 6°. Records and maps on terraces constructed had been verified on the estates. 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. There was no soil erosion noted during the visit. Leguminous cover crop, <i>macuna bracteata</i> was well established.</p>	<p>Complied</p>
<p>4.3.3 A road maintenance programme shall be in place. Minor Compliance</p>	<p>The main roads leading to the estates are maintained by the Public Works Department (Government Department). Estate roads were maintained in good and satisfactory condition. Road maintenance program verified to be established and implemented as seen in the records.</p>	<p>Complied</p>
<p>4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance</p>	<p>It was confirmed during assessment on site that there is no peat soil on the estates.</p>	<p>Complied</p>
<p>4.3.5 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. Minor Compliance</p>	<p>It was confirmed during assessment on site that there is no peat soil in the estates.</p>	<p>Not Applicable</p>
<p>4.3.6 A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance</p>	<p>Based on the estate soil maps and visit to the estates, there were no other fragile and problematic soils on these estates.</p>	<p>Not Applicable</p>
<p>Criteria 4.4 Practices maintain the quality and availability of surface and ground water.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.4.1 An implemented water management plan shall be in place. Minor Compliance</p>	<p>Documented water management plan verified to be in place for the palm oil mill and estates. Rainfall data monitored as part of the water management plan. The plan includes steps such as soil stabilization, run-off control and sediment trapping to mitigate the disturbed earth entering waterways (streams/ rivers). The water supply for domestic use to staff and workers' housing is piped water from the water treatment plant operated by the water utility company. It is a requirement for the water utility company to ensure that tests are carried out on parameters to meet the Ministry of Health Specification for Drinking Water Quality.</p>	<p>Complied</p>
<p>4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to</p>	<p>Buffer zones had been maintained on both sides of streams in the estates as verified during on-site field inspection. No evidence of spraying around palms marked as boundary for the buffer zones.</p>	<p>Complied</p>

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<p>national best practice and national guidelines) shall be demonstrated. Major Compliance</p>	<p>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 estates.</p>	
<p>4.4.3 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). Minor Compliance</p>	<p>Water samples were taken at weekly 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 & Grease, Ammonia Nitrogen and Total Nitrogen. Analysis results meet DOE requirements. BOD levels had been in the range of 36 to 83 ppm for the period Mar 2017-Feb 2018, with an average of 72 ppm. The current allowable upper limit specified by D.O.E (Pahang State) is < 100 ppm.</p>	Complied
<p>4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance</p>	<p>Water usage in the mill from Jan – Dec 2018 ranged from 1.42 to 2.16 m³/mt FFB with an average usage of 1.73 m³/mt FFB. The level of water usage is higher than the industrial norm of 1.2 - 1.5 m³/mt FFB.</p>	Complied
<p>Criteria 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance</p>	<p>IPM Plan includes the planting of beneficial plants and control of damage by rodents. Programme for planting of beneficial plants on 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. Pest infestation was noted to be minimal at the estates. No cases of infestation by other pests (bagworms and rhinoceros beetle).</p>	Complied
<p>4.5.2 Training of those involved in IPM implementation shall be demonstrated. Minor Compliance</p>	<p>IPM training conducted by for all those involved in IPM implementation and training records for staff and workers on IPM implementation were available at Triang 2, 4 and Selatan 1 estates. Training records are noted to be satisfactorily maintained.</p>	Complied
<p>Criteria 4.6 Pesticides are used in ways that do not endanger health or the environment.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.6.1 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. Major Compliance</p>	<p>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 - Roundup (2) Metsulfuron methyl - Juru (3) Triclopyrbutoxy ethyl ester – Garlon (4) Glufosinate ammonium – Basta (5) Chlorophacinone (6) Beta-cyfluthrin Specific pesticides had been used to deal with the respective target pest, weed, or disease.</p>	Complied
<p>4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha</p>	<p>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 at Triang 2, 4 and Selatan 1 estates.</p>	Complied

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<p>and number of applications) shall be provided. Major Compliance</p>		
<p>4.6.3 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. Major Compliance</p>	<p>It had been the policy of the estates 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 estates for the period concerned.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.4 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). Minor Compliance</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. Alternatives such as Round up (Glyphosate isopropylamine), Juru (Metsulfuron methyl), and Garlon (Triclopyrbutoxy ethyl ester) had been used to replace paraquat. First Aid Kits found to be available during pesticides spraying in the fields (4th Schedule). Portable signboard noted to be displayed at areas of spraying activity (5th Schedule).</p>	<p style="text-align: center;">Complied</p>
<p>4.6.5 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). Major Compliance</p>	<p>All pesticide operators (including the contractor's workers) have attended training on the safe handling and application of pesticides in compliance with Regulation 22 of the Pesticides Act 1974. 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. Interviews with pesticides sprayers at the estates 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. Training program and training records verified to be satisfactory. The training includes spraying technique, precautions and symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pain, breathing difficulties or nail problems. The emergency shower and eye wash were verified to be available and in proper working order at the pesticide mixing area. The PMU has adequate facilities for mixing of pesticides and cleaning up after work. There are suitable storage areas for PPE.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.6 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. Major Compliance</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. Material Safety Data Sheets (MSDS) are available in the store. The MSDS are in English and Bahasa Malaysia (understood by the workers). 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 style="text-align: center;">Complied</p>

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<p>4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance</p>	<p>Pesticides had been applied using the Best Management Practices that minimize risk and impacts. The pesticide operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.8 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. Major Compliance</p>	<p>The PMU policy is not to carry out aerial application of pesticides. Verified that this policy has been maintained and adhered.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.9 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). Minor Compliance</p>	<p>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 (including the contractor's workers) 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.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance</p>	<p>Scheduled waste of palm oil mill had been disposed of through a DOE licensed scheduled waste contractor. The scheduled wastes from the estates 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 satisfactorily maintained. General upkeep at estates was noted to be satisfactorily maintained with proper collection and disposal of general waste materials such as food containers, plastic bottles styrofoam boxes, plastic bags etc. Thus previous NC:AL-02 was addressed and closed.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance</p>	<p>CHRA reports are valid from 2016-2021. Verified that the CHRA recommendations has been satisfactorily followed. Workers used for pesticides spraying verified as follows: (1) At Triang 2 estate - own sprayers only used for pesticides spraying. (2) At Triang 4 estate - own workers only used for pesticides spraying. (3) At Triang Selatan 1 estate - own workers only used for pesticides spraying. Annual medical surveillance in accordance with OSHA USECHH 2000 requirements Schedule 1 and 2 was carried out for all pesticide operators. Medical surveillance reports of individual sprayers were checked and no abnormalities reported by the Medical doctor. The medical reports showed that there was no case of low blood cholinesterase levels. Any worker with such health condition is unfit for work with pesticides. No such cases in the PMU as at the date of assessment. Pesticides operators were checked and interviewed during field visit confirmed that they do not have any symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pain, breathing difficulties or nail problems.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance</p>	<p>Pesticide operators in the estates are all males. Verified from records, field inspections and interviews that no pregnant or breast-feeding woman had been offered work as pesticide operator.</p>	<p style="text-align: center;">Complied</p>
<p>Criteria 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p>		

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	<p>“Permit to work” system was implemented 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>Appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves, overalls, ear plugs, ear mufflers) verified to be provided to and being used by the workers. Associated training provided to address safety and health issues. Warning signs sighted at high noise areas and ear plugs and ear mufflers to be worn. There are also warning signs to use other PPE such as helmet and safety boots. Records of checking for compliance on the usage PPE were maintained.</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 were 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 visits. Training for workers in First Aid was carried out in the mill and estates and records maintained.</p> <p>The POM and estates have established their accident reporting KPI and incident monitoring implemented. Yearly reporting of JKPP8 regulations were submitted to JKPP on time in January each year. The Regional Safety & Health Officer had maintained records on the rate of accidents to workmen, trends in rate of accidents, fatalities and non-fatalities captured to prevent mishaps.</p>	
<p>4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (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. Major Compliance</p>	<p>Training program for year 2018/2019 included appropriate trainings on safe working practices for all categories of workers:</p> <ul style="list-style-type: none"> - workers exposed to machinery and high noise levels - workers working in confined space, - harvesters - pesticides operators - manurers <p>The training programme included the various types of training such as firefighting and fire drill, electrical safety, exposure to high noise levels and control measures for protection of hearing and audiometric tests, understanding MSDS/CSDS and first aid training.</p> <p>The above trainings were conducted, and records were available. Evaluation carried out on each of the trainings to determine its effectiveness.</p> <p>Appropriate PPE (safety helmets, gloves, rubber boots, aprons, breathing mask etc.) had been provided to the various categories of workers i.e. FFB harvesters, loaders, manurers and sprayers at the field blocks including workers at plant Nursery area (at Triang Selatan 1 estate) for all potentially hazardous operations.</p> <p>Thus, previous Major NC: AL-03, was addressed, effectively implemented and closed during current audit.</p>	<p>Complied</p>
<p>4.7.4 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. Major Compliance</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 satisfactorily maintained.</p>	<p>Complied</p>

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<p>4.7.5 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. Minor Compliance</p>	<p>Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors. Workers trained in First Aid were present in the mill and field operations. First Aid Kits were available at field worksites and items checked to be adequately replenished. Records on all accidents had been verified to be maintained satisfactorily. Review on accident cases had been carried out during meetings of Safety & Health Committee.</p>	Complied
<p>4.7.6 All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance</p>	<p>Medical care had been provided to all the workers. Local workers are covered by SOCSO, whereas foreign workers are covered by Foreign Workers Compensation Scheme with insurance companies such as AXA Affin General Insurance Bhd were noted to be valid till Sept 2019.</p>	Complied
<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance</p>	<p>Records on Lost Time Accident (LTA) metrics had been verified to be satisfactorily maintained.</p>	Complied
<p>Criteria 4.8 All staff, workers, smallholders and contract workers are appropriately trained.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>4.8.1 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. Major Compliance</p>	<p>Formal training program on all aspects of RSPO Principles and Criteria and the Supply Chain Certification System was established and implemented. Training for various categories of operators, including all field and office staff, with regards to their duties and training needs had been reviewed and found acceptable.</p>	Complied
<p>4.8.2 Records of training for each employee shall be maintained. Minor Compliance</p>	<p>Records of training for each employee, including new employees were maintained.</p>	Complied

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

<p>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.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>5.1.1 An environmental impact assessment (EIA) shall be documented. Major Compliance</p>	<p>The Environmental Aspect and Impacts Assessment for the mill was reviewed and documented on 2 February 2019. While for the estates, it was documented 21 February 2019 for Triang 2 and 29 January 2019 for Triang 4 and Triang Selatan 1. It had included the identification of aspects from field activities that includes fertilizing, spraying, transportation of FFB, garbage disposal and road maintenance. The report had also included the action plans and recommendations to mitigate the negative effects and to promote the positive ones such as construction of sewage and landfills, together with other conservation activities applicable to the PMU.</p>	Complied
<p>5.1.2 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</p>	<p>The impacts have been identified and plans were developed to mitigate the issues. Environmental Management and Monitoring Plans has been established and implemented at the mills and estates. The plans were</p>	Complied

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<p>comprehensive action plan. The action plan shall identify the responsible person/persons.</p> <p>Minor Compliance</p>	<p>sufficiently comprehensive and persons responsible i.e. the respective Mill Managers and Estate Managers were identified.</p> <p>The plans had included the aspects and impacts identified from field activities that include fertilizing, spraying, transportation of FFB, garbage disposal and road maintenance. Action plans and recommendations to mitigate the negative effects and promote positive ones such as sewage, landfills and conservation activities applicable to the entire PMU was effectively monitored.</p>	
<p>5.1.3 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.</p> <p>Minor Compliance</p>	<p>The monitoring of the documented environmental improvement plans is ongoing at both mill and the estates.</p> <p>Implementation and monitoring of the documented environmental improvement plans will be reviewed on an annual basis.</p> <p>The review has taken into consideration the mitigation of negative impacts and promotion of positive ones such as the proper demarcation of buffer zone, clearing of overgrown natural vegetation and debris along the streams.</p>	Complied
<p>Criteria 5.2 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.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>5.2.1 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).</p> <p>Major Compliance</p>	<p>Biodiversity (HCV) assessment was conducted by the Felda CDD HQ and documented in a report dated 28th November 2016 for Triang Selatan 1, 8th August 2017 for Triang 2 and 8th Jan 2017 for Triang 4 estate. The assessment was done in collaboration and meetings with other agencies such as Jabatan Perhutanan, Jabatan Perhilitan, Jabatan Alam Sekitar, Felda Officer, and Local communities.</p> <p>The exercise has taken into consideration all aspects of environmentally sensitive areas such as ponds, streams, wildlife boundaries and was documented.</p> <p>Visits to site confirmed that Ladang Triang 2 is divided into two divisions. Division 1 is surrounded by plantations all along its boundary and it is in patches. However, at the Division 2, it borders the forested area at its southern boundary.</p> <p>At Ladang Triang 4, apart from surrounded by oil palm estates, it borders the RAMSAR site (forest reserve) along its western border.</p> <p>At Ladang Triang Selatan 1, it borders the RAMSAR site along its northern and western boundary.</p> <p>HCV and other environmentally sensitive areas were documented and inspected on site. Boundaries bordering the forest reserves were well demarcated with trenches, especially at the RAMSAR border, to deter wildlife from going into the estate.</p> <p>Buffer zones along the stretches of Sungai Bera which runs along border of Triang 2 estate had been identified and being monitored.</p> <p>The biodiversity assessment had identified the environmentally sensitive areas and management action plans were monitored.</p> <p>At FGVPM Triang 1, the swamp buffer zone was demarcated with signages indicating the importance of the area. Riparian zone along Sungai Mengkuang was indicated and marked on the maps and on the ground.</p> <p>At FGVPM Triang 4, a forested area identified with appropriate signages and was monitored.</p>	Complied

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	Hence. previous NC: SH-01 (2018), was effectively implemented and closed.	
<p>5.2.2 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.</p> <p>Major Compliance</p>	<p>Regular patrols within the POM and PMU were being carried out and findings recorded by the respective Estate executives/auxiliary patrol to monitor the Conservation / buffer zone areas and other parameters.</p> <p>Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented.</p> <p>Signage that prohibit hunting, fishing and water polluting activities were verified on-site at all PMUs visited i.e. Triang Selatan 1 estate, Triang 2 estate and Triang 4 estate, and found to have been satisfactorily maintained.</p> <p>Noncompliance finding issued: At Estate – Triang 04 and Triang Selatan 01, there was no mention on the action plan for year 2019 documented. The action plan available was for the year 2017 and that has been conducted and implemented.</p>	Refer to Major NC: SH-01
<p>5.2.3 There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate 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.</p> <p>Minor Compliance</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 authorities at all the estates and disseminated to all in the estate community.</p> <p>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.</p>	Complied
<p>5.2.4 Where an action plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • 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. <p>Minor Compliance</p>	<p>Management plans were established, and monitoring outcomes were reviewed by the Estate managers.</p> <p>There are no HCV or reported RTE in Triang Selatan 1, Triang 2 and Triang 4 estate, as reported in the CDD, HQ Report. Verification were also made during on-site assessment and found to be satisfactory.</p> <p>The overall management plan on the status of HCV/RTE of the Triang Selatan 1, Triang 2, and Triang 4 estates were collated, reviewed and monitored by the Estates Assistant and Sustainability team.</p> <p>Occurrence of wildlife commonly seen or wandering in the in the estate was also recorded. Quarterly report was made available during the audit.</p>	Complied
<p>5.2.5 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.</p> <p>Minor Compliance</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 PMUs visited i.e. Triang Selatan 1 estate, Triang 2 and Triang 4 estate. Thus, negotiated agreement of such nature is not applicable.</p>	Complied
<p>Criteria 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>5.3.1 All waste products and sources of pollution shall be identified and documented.</p> <p>Major Compliance</p>	<p>Visits made to POM and PMU (Triang Selatan 1, Triang 2 and Triang 4 estates) showed that all waste products and sources of pollution were identified and documented. No additional waste products identified.</p> <p>The documentation and identification of all the waste products such as scheduled waste, domestic waste, clinical 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.</p>	Complied

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	<p>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>Records on the usage and disposal were well recorded and documented.</p> <p>Segregation of wastes i.e. general wastes and scheduled wastes was verified to be satisfactory in the Triang Selatan 1, Triang 2 and Triang 4 Plantations. Proper storage areas were identified for the storage of the recyclable wastes at the estates and mill.</p>	
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly.</p> <p>Major Compliance</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.</p> <p>Stores for scheduled waste were inspected and audited at site i.e. POM and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>The mill and Plantations has proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor.</p>	<p>Complied</p>
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>Minor Compliance</p>	<p>The waste management and disposal plan were in place at both the POM and PMU. It has been documented and implemented and is being carried out. The plan for the mill and estates was documented on November 2017 and March 2018 respectively.</p> <p>At the POM, segregation of wastes i.e. general wastes and scheduled wastes was verified to be satisfactory.</p> <p>The disposal of schedule waste was done by an appointed contractor that is licensed by the Department of Environment. The disposal was done accordingly to the required DOE regulation.</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 estates and mill.</p> <p>Sanitary landfills were also used as a plan for the disposal of household waste at all the estates. The collection of the wastes was done a minimum of 2 times a week by the estate themselves.</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>Nonetheless, a Nonconformance finding was issued on the following:</p> <ol style="list-style-type: none"> 1. At the POM, it was discovered that wastes such as plastic bottles, polystyrene food containers and other wastes were scattered at the demarcated organic waste area meant for EFB, POME cake. 2. At Triang 02 Estate, it was observed that waste materials such as plastic bottles, food containers and others unwanted materials were seen scattered all over the plantation area. Also, waste materials were seen scattered at the staff quarters. 	<p>Upgraded to Major NC: SH-02</p>

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	Auditor note: As this issue has been raised in the previous audit, and it is recurring, this non-conformance is now upgraded to Major.	
Criteria 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.		
Indicators	Findings and Objective Evidence	Compliance
<p>5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>Minor Compliance</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 Triang 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 bi-products to other agencies/clients, and the EFB was used for mulching at the plantations.</p> <p>The use of energy in palm oil mill and 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/fuel on a 70:30 ratio basis. Monthly records of energy consumption of non-renewable and renewable fuel per metric tonne of palm product at the POM were made available during the audit.</p> <p>It was verified that energy usage are being monitored at the PMU/POM for better control and comparison of trends.</p>	Complied
Criteria 5.5 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.		
Indicators	Findings and Objective Evidence	Compliance
<p>5.5.1 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.</p> <p>Major Compliance</p>	<p>Both the POM and PMUs had observed the policy of 'Zero open burning' for any replanting, if any, at the estates.</p> <p>Field inspections made at Triang Selatan 1, Triang 2, and Triang 4 estates showed no evidence of open burning.</p>	Complied
<p>5.5.2 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.</p> <p>Minor Compliance</p>	<p>During the audit, there were no replanting activities carried out in Triang Selatan 1, Triang 2 and Triang 4 estates.</p> <p>Also, there was no evidence of any burning of domestic waste at the housing line sites and at the sanitary landfills of the estates during on site field assessment. Sanitary landfill was used and available at Triang Selatan 1, Triang 2 and Triang 4 estate. The area is located far away from the village, line site and water sources.</p>	Complied
Criteria 5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		
Indicators	Findings and Objective Evidence	Compliance
<p>5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p>	<p>The POM and PMU had reviewed the environmental impact assessment on potential pollution to water, gaseous emissions to air and contamination on land.</p>	Complied

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Major Compliance	Assessment of all polluting activities such as gaseous/ particulate emissions and effluent was conducted and documented.	
<p>5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>Major Compliance</p>	<p>Identification of significant pollutants and greenhouse gas (GHG) emissions has been done. e.g. POME, diesel / fuel and fertilizer. Their usage has been recorded and documented at both the POM and PMU. The POM has an operational Biogas plant (Membrane system).</p> <p>Plans to minimise the emissions of were basically to reduce usage of diesel and fertilizers, which is being implemented.</p> <p>The GHG emissions report submitted to RSPO for period January 2018 to December 2018 using the Palm GHG version 3.0.1. Data entry used was verified to be correct.</p>	Complied
<p>5.6.3 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.</p> <p>Minor Compliance</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). Report showed evident that the emission is within the permissible limits of DOE as verified by documents made available during the on site visit to the Triang mill. The emission of all parameters tested also complied with their respective limits as stipulated in the Environmental Quality (Clean air) regulations.</p> <p>POME treatment, BOD analysis monitoring and land application is monitored, maintained and adhered to DOE regulations.</p> <p>Water samples were regularly taken every six months and tested by mill environment officer in charge and analyzed to ensure compliance to DOE requirements at final discharge points. The water samples were sent to Felda Analytical Laboratory for analysis.</p> <p>Records are maintained and verified on-site to have met the permissible regulatory limits.</p> <p>As they are self-regulated via CEMS, a six-monthly report is also submitted to DOE. Record of monitoring was documented and made available during audit.</p>	Complied

Principle 6: Responsible consideration of employees, and of individuals and communities affected by growers and mills

<p>Criterion 6.1 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>Major Compliance</p>	<p>At the PMU, based on report prepared in Oct 2017, social impact assessment (SIA) is conducted using various methods, i.e. surveys and stakeholder consultations. 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. Next external stakeholder consultation is planned to be held in Oct 2019 following a 2-year revision period. In addition to the external stakeholder consultation, at each operation unit level, Mesyuarat Kebajikan Pekerja, gender committee meetings, linesite inspections as well as grievance books are common and regular methods implemented by the management to assess the social impacts of day-to-day routine operations.</p> <p>Noncompliance finding: A major non-compliance was raised under this criteria due to the contents of the Social Impact Assessment reports was</p>	<p>Refer to Major NC: JMD-02</p>

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	inadequately updated.	
<p>6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>Major Compliance</p>	<p>The group has considered issues of social impact to employees and communities affected by their activities. Records of interviews with selected 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 workers union 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 the estates 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>	Complied
<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>Major Compliance</p>	<p>For each comment received during meetings or interviews 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>	Complied
<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>Minor Compliance</p>	<p>The plans are reviewed bi-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>	Complied
<p>6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>Minor Compliance</p>	<p>The PMU is surrounded by Felda smallholder schemes such as Felda Bukit Kepayang, Felda Bera Selatan, Felda Bukit Mendi, Felda Tembangau, etc. These scheme smallholders are under the management of Felda. Issues involving the PMU and all Felda scheme smallholders will be discussed at the highest managerial level, i.e. Jawatankuasa Permuafakatan Produktiviti dan Kualiti Felda (JPPK).</p>	Complied
<p>Criterion 6.2</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>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.2.1 Consultation and communication procedures shall be documented.</p> <p>Major Compliance</p>	<p>FGV grievance procedure is available address grievances within the company whereas for external parties whistleblowing policy is available via website links provided below;</p> <ol style="list-style-type: none"> 1. http://www.fgvholdings.com/wp-content/uploads/2018/09/FGV-Whistleblowing-Policy-6.0_signed.pdf 2. http://www.feldaglobal.com/our-company/whistleblowing/ <p>The PMU has adopted an open and transparent method of communication and consultation when dealing with relevant parties, e.g. their workers, government agencies, contractors, neighbouring plantations will be invited to attend the internal and external stakeholders' meeting planned for Oct 2019. 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>	Complied

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	Consultations with external and internal stakeholders, grievances from workers and contractors are verified to be documented based on FGV SOP Manual Lestari 1A [ML-1A/L2-PR3(0)] 3.4 Prosedur Komunikasi Penglibatan dan Rundingan.	
<p>6.2.2 A management official responsible for these issues shall be nominated. Minor Compliance</p>	<p>Nominated respective officers are responsible to represent the PMU when any relevant issues raised by local communities and other affected or interested parties.</p> <p>For example Mr. Mohd. Amir Bin Mohamad is the appointed management official responsible on social issues in the FGV Triang POM. Meanwhile, Mr. Muhammad Azrul bin Asras, Kerani Hal Ehwal Pekerja is the appointed management official responsible on social issues in Felda Triang 2 Estate.</p>	Complied
<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. Minor Compliance</p>	<p>Noncompliance finding: A non-compliance was raised under this criteria as not all stakeholders affected by the operating certified units were adequately identified nor included in the stakeholder lists.</p> <p>For example, in Triang POM, two individual FFB suppliers were not identified nor included in the stakeholder list which is maintained by the mill. In Triang 2 Estate smallholders surrounding and within the boundary of the estate were not identified and included in the stakeholder list maintained by the estate.</p>	Refer to Minor NC: JMD-04
<p>Criterion 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>		
Indicators	Findings and Objective Evidence	Compliance
<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. Major Compliance</p>	<p>The PMU has an established and documented system for dealing with complaints and grievances and it was implemented through Manual Lestari 1A [ML-1A/L2-PR4(0)].</p> <p>Grievance books were sighted at the POM and at the estate audited. The books are actively used by the 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. Actions taken by the estate management was immediate and the repair work conducted was verified by the auditor.</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 to make the report personally or through nominated workers' representatives or meet directly with the gender committee members.</p> <p>It was verified during on-site interviews that there were no incidents of dispute or grievance of a serious nature.</p>	Complied
<p>6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available. Minor Compliance</p>	<p>Complaints and grievances are documented and outcomes from the actions taken are recorded using different modes e.g. comments in grievance books, meeting minutes and payment vouchers to contractors for completed jobs.</p>	Complied
<p>Criterion 6.4 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.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.4.1 A procedure for identifying legal, customary or user rights, and a procedure for identifying people</p>	<p>No borders of the Inas Selatan Estate directly adjacent to any villages in the area, the nearest village is Bkt Rok, a native people village.</p>	Complied

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<p>entitled to compensation, shall be in place. Major Compliance</p>	<p>Nearest residential area with the PMU are Felda settlements as mentioned in 6.1.5. No issues related to legal, customary and user rights arise involving the PMU.</p>	
<p>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. Minor Compliance</p>	<p>The FGV 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.</p>	Complied
<p>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. Major Compliance</p>	<p>To date, there has been no dispute by any parties reported. Therefore, the process and outcome of compensation could not be observed.</p>	Complied
<p>Criterion 6.5 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.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>6.5.1 Documentation of pay and conditions shall be available. Major Compliance</p>	<p>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 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. Noncompliance finding Documentation of pay and conditions are available in all estates and mill audited, however the non-conformances mentioned below were found; 1. Annual leave eligibility was not applied according to the Employment Act 60E (1) (b). 2. Public holiday pay and works conducted during public holiday were not calculated according to Employment Act 1955, 60D (1), 60D (3) and 60I (1c).</p>	Refer to Major NC: JMD-03
<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,</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</p>	Complied

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<p>etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Minor Compliance</p>	<p>entitlement and pay for work during public holiday, etc. Contract for local workers are covered by a collective agreement which is written in Bahasa.</p> <p>No foreign workers at the POM and all workers are paid based on monthly rate. Workers at the estates 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 or non-completion of daily assigned task.</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>Minor Compliance</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><u>Housing, electricity and water supply</u></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 subsidise sufficient volume of water to the workers and does not include their family members. The housing quarters are inspected by assigned person from the POM and the estate at least once a week. The linesites are clean and rubbish are collected at least twice in a week. All rubbish are properly tied in plastic bags before being transported to the landfill.</p> <p>Noncompliance finding</p> <p>A minor non-compliance was issued under this criterion as the inspection of workers quarters was not conducted according to the national standard.</p> <p><u>Schools</u></p> <p>The local staff and workers' children attend government schools from kindergarten, primary to secondary schools within the PMU. Foreign workers are single status and there are no children of foreign workers in the PMU.</p> <p><u>Sundry shops</u></p> <p>The availability of sundry shops, fresh market, weekly night market, restaurants within the PMU was helped the staff and workers get their sundries nearby. From interviews with the workers in PMU it was found that most household sundries, including frozen foodstuffs were available on sale. Fresh food, such as fish, chicken, vegetable and meat are brought in by suppliers on daily basis.</p> <p><u>Crèche (Rumah Asuhan Kanak-kanak)</u></p> <p>There is no need for crèche at the estates as most of the younger children are being cared for by the extended family members. Government managed kindergartens, i.e. Tadika KEMAS, are available in all estates visited for pre-school children.</p> <p><u>Medical clinics</u></p> <p>Government managed clinic is available at the PMU. Medical expenses are covered by the management and verified during the audit. 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. In the main assessment, a non-compliance JMD-02</p>	<p style="text-align: center;">Refer to Minor NC: JMD-05</p>

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	was issued on Felda Triang Selatan 1 Estate, 19 workers were found to have incorrect name of beneficiaries in the FWCS. It was verified that during the current audit no recurrence of such non-compliance and it was effectively closed.	
6.5.4 Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. Minor Compliance	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.	Complied
Criterion 6.6		
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.		
Indicators	Findings and Objective Evidence	Compliance
6.6.1 A published statement in local languages recognising freedom of association shall be available. Major Compliance	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 1/6/2014. It was noted that the policy is available and widely displayed to the public. This policy is verified as sufficiently implemented with the 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.	Complied
6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	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 4/2/2019. Concerns of foreign workers at the estates are discussed at the workers-management meeting called as Mesyuarat Kebajikan Pekerja. Latest meeting conducted at Triang 2 Estate was on 26/2/2019. Minutes and attendance list for the meeting was verified.	Complied
Criterion 6.7		
Children are not employed or exploited.		
Indicators	Findings and Objective Evidence	Compliance
6.7.1 There shall be documentary evidence that minimum age requirements are met. Major Compliance	The published statements of policy which recognises no child labour is established in "Child Labour Policy" [ML-1A/L1-Po5(0)] dated 1/06/2014. 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
Criterion 6.8		
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
Indicators	Findings and Objective Evidence	Compliance
6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.	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 1/6/2014. All decisions shall be made based on business needs, job requirements and individual qualifications and without regard to race, religion or gender.	Complied

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<p>Major Compliance</p>	<p>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.</p>	
<p>6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance</p>	<p>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.</p>	<p style="text-align: center;">Complied</p>
<p>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. Minor Compliance</p>	<p>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 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.</p> <p>Noncompliance finding: A non-compliance was raised under this criterion as discriminatory advertisement based on age, was detected in the recruitment and hiring process. See Minor NC: JMD-06</p>	<p style="text-align: center;">Refer to Minor NC: JMD-06</p>
<p>Criterion 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>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. Major Compliance</p>	<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. Implementation of 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 related to women. These committees headed by the managers and members are representatives from all areas of work. Female works and spouse of the male workers, both at the POM and the estates audited, have their own gender committee which is called Kelab Keluarga Dayabudi [KKD].</p> <p>The KKD meeting minutes at the POM and the estate were documented and properly filed. For examples, at the Triang 2 Estate, latest KKD meeting was conducted on 31/1/2019.</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>	<p style="text-align: center;">Complied</p>
<p>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. Major Compliance</p>	<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. Local female staff is fully aware that they are entitled for two months paid maternity leave.</p>	<p style="text-align: center;">Complied</p>
<p>6.9.3 A specific grievance mechanism which respects anonymity and</p>	<p>The grievance process flowchart and procedures are displayed in the estates and POM offices. The grievance mechanism established at the</p>	<p style="text-align: center;">Complied</p>

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protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	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 properly filed.	
Criterion 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.		
Indicators	Findings and Objective Evidence	Compliance
6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	FFB prices are publicly displayed at the POM based on current prices as determined by MPOB. These prices are available for public to access at MPOB website.	Complied
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). Major Compliance	Price mechanism is generally understood by the industry players as the POM is using FFB prices set by the MPOB.	Complied
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. Minor Compliance	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.	Complied
6.10.4 Agreed payments shall be made in a timely manner. Minor Compliance	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.	Complied
Criterion 6.11 Growers and millers contribute to local sustainable development where appropriate.		
Indicators	Findings and Objective Evidence	Compliance
6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	File on social contributions and activities were maintained and noted contributions issued for occasions such as local community activities, religious, social, educational contributions for estate family members. Contributions were demonstrated as follows:- <ul style="list-style-type: none"> • Provide maintenance of public buildings whenever requested. • Allocation for educational budget to schools in the vicinity of the PMU as incentives for high achievers • Contributions on the activities conducted within the PMU • Integrated collaboration to prevent drug abuse in within FGV complexes between the POM and estate management with police, National Anti-Drug Agency [Agensi Anti Dadah Kebangsaan – AADK] • Shifting the contractor workers from substandard housing condition to standard housing. • Ensuring contractor workers' rights are protected by asking the contractors to sign an employment agreement with their contractors. • Hari Raya Aidil Fitri contribution. 	Complied

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<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</p> <p>Minor Compliance</p>	<p>Currently the smallholders are considered as external suppliers and not included in the certification scope of the PMU. The FFB from the smallholders which includes those from the Felda Settlers independent and scheme estates are considered as non-certified FFB in accordance with the Mass Balance Model of the supply chain.</p>	<p>Complied</p>
<p>Criterion 6.12 No forms of forced or trafficked labour are used.</p>		
<p>6.12.1 There shall be evidence that no forms of forced or trafficked labour are used.</p> <p>Major Compliance</p>	<p>Estate workers are sourced by the FGV appointed agents and handled via FGV 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 FGV estates or POMs. Procedures on bringing foreign workers from their original countries are clearly spelt in Manual for Handling of FGVH Plantation Workers [FGV/JTK/POL/001] dated 1/3/2017.</p> <p>All estates already returned the passport to their foreign workers. Lockers are provided in front of the office and the keys to the lockers are kept by each foreign workers. For sampled contractors interviewed, they only hired local workers, thus no issue with passport withholding.</p>	<p>Complied</p>
<p>6.12.2 Where applicable, it shall be demonstrated that no contract substitution has occurred.</p> <p>Minor Compliance</p>	<p>There was no evidence of contract substitution and this was confirmed from interviews with workers and relevant 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>Major Compliance</p>	<p>The policy statement established in "Policy on Employing Foreign Workers" [ML-1A/L2-Po8(0)] dated 1/6/2014.</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>Complied</p>
<p>Criterion 6.13 Growers and millers respect human rights.</p>		
<p>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).</p> <p>Major Compliance</p>	<p>The published statements of policy which recognises human right is established in "Policy on Human Rights" [ML-1A/L2-Po12(0)] dated 1/6/2014.</p>	<p>Complied</p>
<p>6.13.2 As long as children of plantation workers of Sabah and Sarawak are not secured a right to go to government school, the plantation companies should engage in a process to secure the children of the plantation workers access to education as a moral obligation.</p> <p>Minor Compliance</p>	<p>Not applicable</p>	<p>Not applicable</p>

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Principle 7: Responsible development of new plantings

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

On overall the requirements of Principle 7 is verified as being 'Not applicable' to this PMU / CH unit during this assessment.

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

It is 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 record of GHG emissions for the past 12 month's period verified during the audit,

See Summary of Net GHG Emissions in the Tables below.

SUMMARY OF NET GHG EMISSIONS

The information below were retrieved and data verified against the data produced from the summary report generated through **RSPO PalmGHG Calculator Version 3.0.1**.

GHG Table 1: Summary of Net GHG Emissions (Period: June 2018 – May 2019)

Emissions per Product	tCO2e/tProduct
CPO	1.69
PK	1.69

Production	t/year
FFB processed	65802.44
CPO Produced	12791.99

Extraction	%
OER	19.44
KER	5.52

GHG Table 2: Summary of Land Use

Land use	ha
OP planted area	6634.66
OP planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	0
Total	6634.66

GHG Table 3: Summary of Field Emissions and Sinks

	Own Crop		Group		3rd Party		Total	
	tCO2e	tCO2e/ha	tCO2e	tCO2e/ha	tCO2e	tCO2e/ha	tCO2e	tCO2e/ha
Emissions								
Land Conversion	65528.07	9.88	0	0	0	0	65528.07	9.88

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CO2 Emissions from Fertiliser	5146.86	0.78	0	0	0	0	5146.86	0.78
N2O Emissions	3905.81	0.59	0	0	0	0	3905.81	0.59
Fuel Consumption	165.54	0.02	0	0	0	0	165.54	0.02
Peat Oxidation	0	0	0	0	0	0	0	0
Sinks								
Crop Sequestration	-62111.93	-9.36	0	0	0	0	-62111.93	-9.36
Conservation Sequestration	0	0	0	0	0	0	0	0
Total	12634.35	1.9	0	0	0	0	12634.35	1.9

GHG Table 4a: Summary of Mill Emissions and Credits

	tCO ₂ e	tCo ₂ e/tFFB
Emissions		
POME	12898.39	0.2
Fuel Consumption	219.57	0
Grid Electricity Utilisation	1963.31	0.03
Credits		
Export of Excess Electricity to Grid and Housing	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	15081.27	0.23

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

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 %

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

Criterion 8.1		
<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>8.1.1 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"> • Reduction in use of pesticides (Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Encourage optimising the yield of the supply base. <p>Major Compliance</p>	<p>The POM has identified and implemented the following Continual Improvement Action Plans for 2018/2019 as follows:</p> <p><u>At Palm oil mill:</u></p> <ul style="list-style-type: none"> • Reduction in the usage of diesel for generator to 250 litres/day, • Transfer of energy from biogas plant to the national grid expected to be completed in May 2019, • Installation of a new dust cone in Feb 2019, • Installation of CCTV for the monitoring of smoke and transfer of data in real time to DOE by July 2019. <p><u>At Estates:</u></p> <ul style="list-style-type: none"> • To reduce usage of pesticides by combining the operation with manual weeding of unwanted growth; • Increase planting of beneficial plants (<i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>) along the roads; • Fertilizer bags to be recycled and empty pesticide containers to be returned to supplier. In addition, waste will also be segregated accordingly to the plastic and organic materials; • Reuse fertilizer bags; Return pesticide containers to suppliers; Selling off scrap metals and paper waste. • Ensuring all contractor workers are provided with proper PPE by their respective contractor employers • Monitoring of payments made by contractors to their workers. <p>There was evidence of monitoring for the above continuous improvement action plans.</p>	<p>Complied</p>

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3.1.1 Supply Chain Certification Standards Findings - on CPO Mill

The Supply Chain model applied at FGVPISB KS Triang- POM during this assessment is Module E – CPO Mills: Mass Balance (MB).

Details of findings are as follows:

General Chain of Custody Requirements for the supply chain:

5.1 Applicability of the general chain of custody requirements for the supply chain		
Indicators	Findings and Objective Evidence	Compliance
<p>5.1.1. The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p>	<p>The CPO Mill i.e. FGVPISB KS Triang - POM (under FGV HB Group) takes legal ownership and physically handles the certified FFB, CPO and PK. Verified as at todate, no outsourced facility is used in the processing and production of the CPO and PK.</p>	Complied
<p>5.1.2. Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.</p>	<p>The CPO Mill does not perform direct trading of the certified CPO & PK. All the quantities produced are sold to refinery owned under FGV HB Group.</p>	Complied
<p>5.1.3. Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p>	<p>Triang POM unit was registered in the RSPO PalmTrace as follows: Member ID: RSPO_PO1000000762 Licence ID: CB69687</p>	Complied
<p>5.1.4. Processing aids do not need to be included within an organization’s scope of certification.</p>	<p>No processing aid used as this facility is a CPO Mill.</p>	Complied
5.2 Supply chain model		
<p>5.2.1 The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p>	<p>Verified that this facility is a CPO Mill which applies Module E: Mass Balance (MB) only.</p>	Complied
<p>5.2.2. The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p>	<p>Verified that this facility is a CPO Mill which applies Module E: Mass Balance (MB) only.</p>	Complied
5.3 Documented procedures		
5.3.1.		

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<p>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.</p> <p>This shall include at minimum the following:</p> <ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role 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 organization's procedures for the implementation of this standard. 	<p>Documented Supply Chain Procedure Doc No. FGVPM-RSPO SCCS Issue 3.0 Rev 2.0 (Effective 01 Dec 2017) SOP for Mill RSPO Supply Chain Certification System has been established and implemented.</p> <p>The 'MB module' implementation is verified to comply with the RSPO SCCS requirement. Production records are maintained and updated daily and monthly, 3-monthly and annually reports are compiled and for reporting to the FGV Group, HQ.</p> <p>The responsible person identified is the Mill Manager as per the SOP and Organizational chart. Interview done with the Mill Manager, Mr. Ghazali Abd Rahman confirmed that he and his assistants are aware and able to demonstrate the implementation of the RSPO supply chain requirements.</p>	<p style="text-align: center;">Complied</p>
<p>5.3.2.</p> <p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <ol style="list-style-type: none"> i. conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii. effectively implements and maintains the standard requirements within its organization. <p>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization must be able to maintain the internal audit records and reports.</p>	<p>Documented Supply Chain Procedure Doc No. FGVPM-RSPO SCCS Issue 3.0 Rev 2.0 (Effective 01 Dec 2017) SOP for Mill RSPO Supply Chain Certification System has been established and implemented.</p> <p>Stated in para 4.1.10 that its Internal Control System ensure that all users of the RSPO trademark and claims are in accordance with RSPO Rules on Market Communications and Claims requirements. The SOP had covered the Market Communications and Claims requirements including:</p> <ol style="list-style-type: none"> 1) General corporate communications 2) Business to business communications 3) Business to consumer communication 4) RSPO SCC (Mass Balance) CSPO/MB or CSPK/MB 5) MB general & Module E: MB for CPO Mill 6) Labelling and trademark 7) Messaging <p>Last Internal audit was done in Dec 2018 using the checklist as per the RSPO SCC Standard 2017 which included the RSPO Market communication and claims requirements. Verified that findings raised in internal audit were closed out after corrective actions taken. The Internal audit findings were reviewed during the management review conducted on 12 Feb 2019. Records of Internal audits and minutes of Management review of previous year 2018, were maintained and available.</p>	<p style="text-align: center;">Complied</p>
<p>5.4 Purchasing and goods in</p>		
<p>5.4.1.</p> <p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is</p>	<p>The Daily Production Report showed traceable figures of certified products from certified raw material sources. All incoming certified raw material is recorded by daily, monthly and annual basis.</p>	<p style="text-align: center;">Complied</p>

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<p>made available by the supplier in document form:</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number • Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). • The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping announcements/ Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance. • A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements. • The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements. 	<p>Incoming raw material indicating: name and address of the product origin, name and address of the receiver; ticket number, delivery order no.; contract no.; date; quantity; transporter; type of product; Supply Chain model used - MB and RSPO certificate number.</p> <p>Incoming FFB from supply base are owned estates and other external suppliers i.e. outgrowers and independent smallholders.</p> <p>Samples taken: Dates: Between 1 Jan – 31 Dec 2018 Delivery Notes: 87337 (TR 1), 109346 (TR 2), 173406 (TR S1) WB ticket no: 915342 – 986563 Origin: FGVPM Triang 2, 4 and Selatan 1 estates Address: Triang, Pahang, Malaysia Country of origin: Malaysia Receiver: KS Triang- POM Address: Triang, Pahang, Malaysia Product: FFB – RSPO / MB Certified Quantity: Between 5.55 MT -14.08 MT (net per load) RSPO Cert no: RSPO 931188</p>	
<p>5.4.2. The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>	<p>As per the SOP available at the POM for the MB based incoming FFB and documentations such as Estates Delivery Notes and Weighbridge tickets at POM, the control mechanism noted to be in order. So far, there was no evidence of any occurrence of non-conforming products or related documents.</p>	<p>Complied</p>
<p>5.5 Outsourcing activities</p>		
<p>5.5.1.</p>		

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<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	<p>Verified that there are no outsourced processing activities to Independent third parties.</p> <p>Transport of FFB, CPO and PK as arranged by the Estates and POM Management are controlled via contracts with transporters and inspection of the transportation vehicles used prior to and upon completion of loading and off-loading. This are evidenced in the Delivery chits and weighbridge tickets which indicate the Transport vehicle no, weight and driver involved.</p>	<p>Complied</p>
<p>5.5.2.</p> <p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> a) The site has legal ownership of all input material to be included in outsourced processes; b) The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance. 	<p>No outsourcing of processing activities noted at the POM.</p>	<p>Not applicable</p>
<p>5.5.3.</p> <p>The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.</p>	<p>Transport contractor for the transportation of the CSPO & CSPK are monitored and valid contracts are available and verified at the POM.</p>	<p>Complied</p>
<p>5.5.4.</p> <p>The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.</p>	<p>No outsourcing of processing activities noted at the POM.</p>	<p>Not applicable</p>
<p>5.6 Sales and goods out</p>		

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<p>5.6.1. The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer;</p> <ul style="list-style-type: none"> • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number of the seller; • A unique identification number. • Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). • For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance. 	<p>CPO Mill: Triang POM (FGV Palm Industries Sdn Bhd), sales and delivery documents information include:</p> <ul style="list-style-type: none"> - Name and address of production unit. - Name and address of buyer - WB Ticket number - Date of delivery - Transporter ID - Type of product / Supply chain model - Quantity: - RSPO certificate no. <p><u>Sample - Outgoing product - CSPO:</u> Eg:</p> <ul style="list-style-type: none"> - Origin: FGV Palm Industries SB- KS Triang - Country of origin: Malaysia - Recipient: FGV Biotechnologies SB - Address: Kuantan, Pahang, Malaysia - Sales Order -336055548 - Contract – RSPO 54102 - WB Ticket no. H00000504 - Date: 20 May 2019 - Transport ID: CCQ 7453 - Product: CPO / MB - Quantity: 43,58 MT - RSPO Cert no: RSPO 931288 <p><u>Outgoing product - CSPK:</u> Eg:</p> <ul style="list-style-type: none"> - Origin: FGV Palm Industries SB – KS Triang - Country of origin: Malaysia - Recipient: FKP SB - Semambu - Address: Kuantan, Pahang, Malaysia - Contract: RSPG7017Y - Sales Order: as above - WB Ticket no. L00000134 - Date: 01 June 2019 - Transport ID: WSF 5061 - Product: CSPK / MB - Quantity: 47.76 MT (Gross: 67.95) - RSPO Cert no: RSPO 931188 	<p style="text-align: center;">Complied</p>
<p>5.7 Registration of transactions</p>		
<p>5.7.1. Supply chain actors who:</p> <ul style="list-style-type: none"> • are mills, traders, crushers and refineries; and • take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable. 	<p>Legal ownership and physically handling of the RSPO CSPO & CSPK is confirmed for the past 12 months. Records for the transactions made from the POM as sold to the next owner:</p> <p>Triang POM unit was registered in the RSPO PalmTrace as follows:</p> <p>Member ID: RSPO_PO100000762 Licence ID: CB69687</p> <p>Verified that transactions are registered in the RSPO PalmTrace.</p>	<p style="text-align: center;">Complied</p>
<p>5.7.2. The involved supply chain actors mentioned in 5.7.1 shall do the following actions</p>	<p>The company has registered their transactions as per the Palm trace.</p>	<p style="text-align: center;">Complied</p>

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<p>in the RSPO IT Platform:</p> <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. • Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. • Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. • Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 	<p>Checked information:</p> <p>Transaction ID: stated Seller: KS Triang (POM) Buyer / Recipient: FGV Biotechnologies SB Address: Kuantan. Pahang, Malaysia Product: CSPO Supply chain model: MB Quantity: stated Transaction type: Shipping Status: Confirmed Period: Jan-Dec 2018</p> <p>Transaction ID: stated Seller: KS Triang (POM) Buyer / Recipient: FGV Biotechnologies SB Address: Kuantan. Pahang, Malaysia Product: CSPK Supply chain model: MB Quantity: stated Transaction type: Shipping Status: Confirmed Period: Jan-Dec 2018</p>	
<p>5.8.1. The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.</p>	<p>The POM has an annual Training 2018/2019, which includes refresher training on the RSPO SCCS. Training records are updated for personnel which includes attendance list and photograph as evidence are verified and available.</p>	Complied
<p>5.8.2. Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.</p>	<p>The last training was done on 10 Dec 2018, attended 8 participants which included the Mill Manager, Executives, Assistants, Weighbridge clerks who are involved in implementation of the RSPO SCCS. Understanding by personnel was confirmed during audit at the POM.</p>	Complied
<p>5.9 Record keeping</p>		
<p>5.9.1. The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.</p>	<p>The company has procedure to maintain and update all documents and records of RSPO supply chain system as required by the RSPO supply chain. The company has maintained, updated report & record which covering all aspects of RSPO SCCS requirements, such as: daily report, monthly report, 3-months mass balance report, delivery note, balancing stock report, complaint record, non-conforming product report, etc.</p>	Complied
<p>5.9.2. Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p>	<p>As per the RSPO SCC SOP, the minimum retention time of record for 2 years was stated. The retention of accounting related records including contracts, invoices etc. had complied with the minimum 7 years as per the Annual Accounting report and Stock Inventory done by the Accounting Dept.</p>	Complied

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	Based on sampling done for RSPO transactions, the related records were noted to be retained and available at site.	
5.9.3. The organization must be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	The PMU has updated the record keeping of the volumes of FFB purchased, processed and claimed as RSPO certified oil palm products. The Monthly, 3- Monthly, and Annual data over past 12 months was available.	Complied
5.10 Conversion factors		
5.10.1 Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Not applicable, as the scope of certification for this unit covers until the CPO Mill only.	Not applicable
5.10.2 Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Not applicable, as the scope of certification for this unit covers until the CPO Mill only.	Not applicable
5.11 Claim		
5.11.1. The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	As at to-date, there has been no evidence of any no incorrect or inappropriate claims made at this unit.	Complied
RSPO Rules on Market Communications and Claims:		
General Corporate communications		
4.1 Highlights RSPO membership and/or commitment to RSPO Principles	The RSPO membership number is stated under the parent company of FGV Holdings Berhad as indicated in the RSPO website and CH certificate.	Complied
4.2 a) displays RSPO membership number b) displays RSPO web address (www.rspo.org) c) states support for RSPO work	Noted done via the ACOP submitted on annual basis eg for year 2017 and 2018.	Complied
4.3 No misleading claim on RSPO membership on sale of certified RSPO products	There has been no evidence of any misleading claim as at the time of audit on the sale of the CSPO & CSPK for past 12 months (Jan-Dec 2018)	Complied
4.4	As above.	Complied

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No misleading claim to consumers and stakeholders.		
4.5 Use of RSPO logo	No evidence of inappropriate use of the RSPO logo.	Complied
Business to Business communications		
5.1 Appropriate communications for B to B	Transactions and communications are presently internal i.e. between the KS Triang - POM (seller) and FGV Biotechnologies Sdn Bhd – Refinery (buyer)	Complied
5.2 Communication of claims of SCC Model and Certificates	Verified that claims using the MB model / status as issued in the CH certificate was correctly stated.	Complied
5.3 Distributor or wholesaler License use	Not applicable as the POM is not a distributor / wholesaler.	Not applicable
5.4 Declarations of certified palm oil are as per RSPO rules.	Verified that claims made on CSPO & CSPK are as per RSPO Rules.	Complied
Business to Consumer communications		
6.1 Any business to consumer claims made?	Not applicable as the POM does not make any communications with consumers.	Not applicable
6.2 Are the RSPO Marks and logos appropriately used and communicated.	Not applicable.	Complied
6.3 On-pack label and claim use	Not applicable.	Not applicable
6.4 Any disclosure of supplier membership status	Not applicable.	Not applicable
6.5 Appropriate and accurate claims made on certified products	Verified that transaction and claims on certified CSPO & CSPK are appropriate and accurate over past 12 months.	Complied
6.6 Use of RSPO Marks and logos	Verified that there were no inappropriate use of RSPO Marks & Logos.	Complied
6.7 Retailer or Food Services company use of RSPO Marks and logos	Not applicable.	Not applicable
6.8 Appropriate and accurate claims made on certified products under 6.7	As above	Not applicable
5.12 Complaints		
5.12.1. The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Documented Supply Chain Procedure Doc No. FGVPMS-RSPO SCCS Issue 3.0 Rev 2.0 (Effective 01 Dec 2017) SOP for Mill RSPO Supply Chain Certification System has been established and implemented. Verified on site, included the collecting and resolving of stakeholder complaints and any quality issues. There has been no complaint received since previous audit.	Complied
5.13 Management review		
5.13.1. The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	Management review is planned on an annual basis. The last management review was done on 24 Jan 2019, minutes meeting of management review had covered the review of internal audit findings.	Complied
5.13.2.		

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<p>The input to management review shall include information on:</p> <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	<p>Minutes meeting of management review has included all the required inputs. Review of inputs had covered the both the internal audit results on 6 internal audit findings and from external audits (from CB and other parties). Review of corrective and preventive actions and the follow up actions from customer feedbacks, previous management review and changes that could affect the management system were minuted.</p>	<p style="text-align: center;">Complied</p>
<p>5.13.3. The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 	<p>Outputs of management review has included recommendations for improvement such as the progressive planning for changeover to SAP system and training needed for the personnel over the next 12 months.</p>	<p style="text-align: center;">Complied</p>

Model E – CPO Mills: Mass Balance (MB)

E.1 Definition		
Indicators	Findings and Objective Evidence	Compliance
<p>E.1.1 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 3rd 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 supply base and Outside Crop Producers [see Section 1.3 Description of supply base (fruit sources)]. The CPO Mill is therefore applying the Mass Balance (MB) model.</p>	<p style="text-align: center;">Complied</p>
E.2 Explanation		
Indicators	Findings and Objective Evidence	Compliance
<p>E.2.1 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&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 Section 1.8.2 Table 6 and Section 1.8.3 Table 7.</p>	<p style="text-align: center;">Complied</p>
<p>E.2.2 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 style="text-align: center;">Complied</p>
E.3 Documented procedures		

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<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. FGVPMS-RSPO SCCS Issue 3.0 Rev 2.0 (Effective 01 Dec 2017) 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 & Job Descriptions, Claims, FFB Delivery Plantation to Mill, CPO/PK Delivery Mill to customer, Record Keeping, Training.</p>	<p style="text-align: center;">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 style="text-align: center;">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 responsible person identified is the Mill Manager as per the SOP and Organizational chart. Interview done with the Mill Manager, Mr. Ghazali Abd Rahman confirmed that he and his assistants are aware and able to demonstrate the implementation of the RSPO supply chain requirements. He and other relevant staff under his charge demonstrated competence, skill and knowledge of the RSPO Supply Chain Certification Standard Model E: MB 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.</p>	<p style="text-align: center;">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 & 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, CPO & PK reports were verified to have complied with requirements of the MB Model. FFB from both certified and non-certified sources were clearly documented and verified in audit.</p>	<p style="text-align: center;">Complied</p>
<p>E.4 Purchasing and goods in</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</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 Felda computer system or reporting spreadsheet every day. Daily and monthly reports are submitted to the Regional Office and Head Office. Monthly FFB, CPO & PK reports were verified to have complied with requirements of the MB Model. FFB from both certified and non-certified sources were clearly documented and verified in audit.</p>	<p style="text-align: center;">Complied</p>
<p>E.4.2 The facility shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>Documented Supply Chain SOP has specified that 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. To date, there has been no projected overproduction.</p>	<p style="text-align: center;">Complied</p>

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E.5 Record keeping		
Indicators	Findings and Objective Evidence	Compliance
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).	Traceability was verified for the Production Reports over past 12 months 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 Head Office. The two weighbridges at the Mill are duly calibrated and calibration certificates found to be in order. As per the SOP, the records are archived and to be retained for a minimum of 7 years. 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. 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.	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' module and is thus eligible for 'MB' trading for its palm products for year 2019/2020.

3.1.3 Monitoring of certified products traded:

As this is the Main Assessment, there is no prior trading of CSPO and CSPK via the RSPO PalmTrace and Green Palm for this PMU.

Table 8: Summary of trading volumes (under PalmTrace)

Details required (for RSPO Palm Trace – Trading volumes submission)		
	CPO (mt)	PK (mt)
Last year's (Projected): June 2018 – May 2019 Certified volume (RSPO Certified)	10,334	2,939
a) Last year's Actual sold volume (RSPO Certified)	0	1,956
b) Last year's Actual sold volume * (Other Schemes Certified)	0	0
c) Last Year's Actual sold volume ** Conventional	10,200	880
Total of (a) + (b) + (c)	10,200	2,836
New (Projected): June 2019 – May 2020 Certified Volume (RSPO Certified)	13,425	3,709

Notes:

- 1) Trading volumes are checked from: June 2018 - Dec 2018, as certification was awarded on 11 June 2018.

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- 2) Volumes from June 2017 – May 2018 are non-certified (i.e. prior certification) which are excluded in data.
- 3) * This CH unit does not have any other certified schemes.
- 4) ** Conventional volumes as sold as Non-certified (downgraded)

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 (NC)	Observations (OBS)	Follow up status
Initial Assessment	Dec 2017	7 (2 Major & 5 Minor)	0	All NCs were addressed and closed except for 1 Minor NC which was upgraded to a Major NC during the ASA-01 audit.
ASA-01	2019	13 (7 Major & 6 Minor)	6	Next Surveillance (ASA – 02)

3.2.1 Year 2019: 7 Major & 6 Minor

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Major: AL-01	2.1.1	Date issued: 15 Mar 2019
		Requirement: Evidence of compliance with relevant legal requirements shall be available.
		Statement of Nonconformance: Labelling for highly flammable liquid storage tanks as per 'Peraturan-Peraturan Kawalan Bekalan 1974' was not adhered.
		Evidence of Nonconformance:
		Location: FGV Triang POM Display and Labelling of information that is required according to the 'Peraturan-Peraturan Kawalan Bekalan 1974' at the 2 diesoline storage skid tanks were found to be faded and not legible.
		Root Cause and Corrective Action(s): by Auditee representative
		Root cause: Lack of proper monitoring on Safety and Health issues by Mill and Estate Managers and Assistants on Safety & Health regulations.
		Correction: Proper signage of "Peraturan-Peraturan Kawalan Bekalan 1974" in the two skid diesel fuel tanks is provided. See attached:
		Corrective Action: <ul style="list-style-type: none"> • Appointment of a qualified Safety & Health officer for monitoring of all Safety & Health issues including maintenance of Safety signages. • Monitoring checklist on weekly basis starting from June 2019
		See attached: <ul style="list-style-type: none"> • Appointment letters & qualification of Safety & Health officers • Monitoring checklist – month of June
		Verification on Corrective Action(s): by Lead Auditor / Auditor

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		<p>On-site Verification done on: 19 - 21 June 2019</p> <p>Corrective Actions taken: As stated above</p> <p>Supportive evidences: As submitted and verified on site are:</p> <ul style="list-style-type: none"> - Signages for the said 2 skid diesel fuel tanks. - Respective Appointment Letters of Assistant Managers and record of briefing provided to the said personnel. - Records of monitoring checklists used since 1 June 2019. 	
		<p>Conclusion:</p> <p>Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>	
		<p>NC status closed by auditor: AL</p>	<p>Date closed: 21 June 2019</p>
		<p>Verification of effectiveness: Next surveillance</p>	
		<p>NC status verified by auditor: -</p>	<p>Date verified: -</p>

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Minor: AL-02	2.1.4	<p>Date issued: 15 Mar 2019</p>
		<p>Requirement:</p> <p>A system for tracking any changes in the law shall be implemented.</p>
		<p>Statement of Nonconformance:</p> <p>Review of Legal Register and changes to laws were not evidenced at site offices.</p>
		<p>Evidence of Nonconformance:</p>
		<p>Location: FGV Triang POM and Ladang FGV Triang 02, Ladang FGV Triang 04 & Ladang FGV Triang Selatan 01</p>
		<p>i. There was no evidence that the Legal Register maintained at respective offices were reviewed by the POM Manager and respective Estate Managers and the changes to laws were noted for implementation at the local level i.e. no date and actual sign off by reviewer.</p>
		<p>ii. The Minimum Wages requirement was implemented. However, it is noted that latest Minimum Wages Order (November 2018) was not stated in the Legal Register.</p>
		<p>Root Cause and Corrective Action(s): by Auditee representative</p>
		<p>Root Cause:</p> <p>Lack of proper monitoring by Mill and Estate Managers and Assistants on the updates in the Legal Register.</p>
		<p>Correction:</p> <p>Legal Register is updated and signed by Mill & Estate Managers. See attached.</p>
<p>Corrective Action:</p> <p>Appointment of trained responsible officer in monitoring and updating of Legal Register. See attached</p>		
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p>

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		On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Updated Legal Register as reviewed and signed by the respective Managers. - Respective Appointment Letters of Assistant Managers and record of briefing provided to the said personnel.	
		Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.	
		NC status closed by auditor: AL	Date closed: 21 June 2019
		Verification of effectiveness: Next surveillance	
		NC status verified by auditor: -	Date verified: -

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Minor: AL-03	4.2.4	Date issued: 15/03/2019
		Requirement: 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.
		Statement of Nonconformance: The management does not establish the EFB application records
		Evidence of Nonconformance: Location: Ladang FGV Triang 02 The management maintained the contract of EFB transporter, records of incoming of the EFB from the mill and payment records for the contractor. However, records of the EFB application were not available.
		Root Cause and Corrective Action(s): by Auditee representative Root cause: Lack of proper monitoring of EFB application records and data by Estate Manager / Assistants. Correction: Empty Fruit Bunch (EFB) application records and data was updated starting June 2019. See attached. Corrective Action: Appointed Estate Assistant is responsible for updating the Empty Fruit Bunch application records and data. See attached.
		Verification on Corrective Action(s): by Lead Auditor / Auditor
		On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Signages for the said 2 skid diesel fuel tanks. - Respective Appointment Letters of Assistant Managers and record of briefing provided to the said personnel. - Records of monitoring checklists used since 1 June 2019.

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		Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.	
		NC status closed by auditor: AL	Date closed: 21 June 2019
		Verification of effectiveness: Next surveillance	
		NC status verified by auditor: -	Date verified: -

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Major: AL-04	4.7.2	Date issued: 15 Mar 2019
		Requirement: 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.
		Statement of Nonconformance: Monitoring and follow up related to the safety and health issues were not effectively implemented
		Evidence of Nonconformance: Location: FGV Triang POM iii. There were 5 fire extinguishers noted with expiry date of 12.01.2019 at Biogas plant sighted during mill visit. iv. The mill management managed to conduct Annual Audiometric Test for operators on 10 Nov 2018. However, there is no proof that the management follow up the Standard Threshold Shift (STS) List which need to undergo audiometric test within three (3) months from the date of the last audiometric test.
		Root Cause and Corrective Action(s): by Auditee representative Root cause: Lack of proper monitoring on Legal compliance by POM Manager and Assistants including requirements for Annual Audiometric testing of Mill workers.
		Correction(s): a. Replacement of the 5 fire extinguishers to new ones on Biogas plant. See attached: Checklist / Photo b. Follow-up Audiometric / STS tests recommended by the Doctor (DOSH approved) for Mill workers as per report of 10 Nov 2018, who are required to go for STS tests. See attached: Follow up Audiometric / STS reports of Apr 2019.
		Corrective Action: <ul style="list-style-type: none"> • Appointment of a qualified Safety & Health officer for monitoring of all Safety & Health issues at the Mill including monitoring of annual Audiometric tests for the Mill workers • Monitoring checklist for annual Audiometric tests for Mill workers exposed to High Noise areas for 2019-2020 See attached: <ul style="list-style-type: none"> • Appointment letters & qualification of Safety & Health officer • Audiometric test reports and STS reports completed on Apr 2019.
		Verification on Corrective Action(s): by Lead Auditor / Auditor

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		<p>On-site Verification done on: 19 - 21 June 2019</p> <p>Corrective Actions taken: As stated above</p> <p>Supportive evidences: As submitted and verified on site are:</p> <ul style="list-style-type: none"> - Follow up Audiometric test on STS workers (14 nos) dated 29 Apr 2019, which indicated all the workers were not under 'permanent hearing impairment' and recommended to wear proper PPE and Ear plugs throughout work hours by the DOSH approved Medical Examiner. - Respective Appointment Letters of Assistant Managers and record of briefing provided to the said personnel. - Records of monitoring checklists for Firefighting equipment including extinguishers used since 1 Apr 2019. 	
		<p>Conclusion:</p> <p>Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>	
		<p>NC status closed by auditor: AL</p>	<p>Date closed: 21 June 2019</p>
		<p>Verification of effectiveness: Next surveillance</p>	
		<p>NC status verified by auditor:</p>	<p>Date verified:</p>

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Minor: SH-01	4.4.1	<p>Date issued: 15 Mar 2019</p>
		<p>Requirement:</p> <p>An implemented water management plan shall be in place.</p> <ul style="list-style-type: none"> • Take account of the efficiency of use and renewability of sources; • Ensure that the use and management of water by the operation does not result in adverse impacts on other users within the catchment area, including local communities and customary water users; • Avoid contamination of surface and ground water through run-off of soil, nutrients or chemicals, or as a result of inadequate disposal of waste including Palm Oil Mill Effluent (POME). • Aim to ensure that the plantation activities do not cause adverse impacts to the water sources of local communities, workers and their families. • No construction of bunds/weirs/dams across the main rivers or waterways passing through an estate. • Outgoing water into main natural waterways should be monitored at a frequency that reflects the estates and mills current activities which may have negative impacts (Cross reference to C 5.1 and 8.1). • Monitoring rainfall data for proper water management.
		<p>Statement of Nonconformance:</p> <p>The water management plan is generic in nature and action plan implemented has not been effective.</p>
		<p>Evidence of Nonconformance:</p>

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		<p>Location:</p> <p>A) POM</p> <ul style="list-style-type: none"> • There was water management plan available is lacking in details for the POM. The water management plan provided is noted to be still generic in nature. • A number of the effluent ponds was without signage and information as required under the Department of Environment Regulation, such as its name and function, retention period and the last date of desludging. <p>B) Estate – Triang 02 and Triang Selatan 01 There were no markings of the water sampling points made on the map and at the site.</p>		
		<p>Root Cause and Corrective Action(s): by Auditee representative</p>		
		<p>Root cause: Lack of proper review of the Water Management Plans and poor monitoring done by Mill and Estate Managers and Assistants.</p> <p>Correction: Water Management Plans for POM and Estates are revised to include:</p> <ul style="list-style-type: none"> • Identification of location of all Water Sources e.g. rivers, ponds etc., in the maps • Signages to be placed at the field • Monthly and yearly water consumption data. <p>See attached</p> <p>Briefing done revised Water Management Plans and actions for monitoring to personnel / workers. See attached</p> <p>Corrective Action:</p> <ul style="list-style-type: none"> • Appointment of a responsible officer for the Water Management Plan and monitoring • Monitoring checklist a monthly basis starting from May 2019 <p>See attached:</p> <ul style="list-style-type: none"> • Appointment letters • Monitoring checklist – month of May 2019. 		
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p>		
		<p>On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are:</p> <ul style="list-style-type: none"> - Revised Water Management Plans for POM and Estates - Locations and Signages indicated in the Field maps. - Respective Appointment Letters of Assistant Managers and record of briefing provided to the said personnel. - Records of monitoring checklists used since 1 May 2019. 		
		<p>Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status closed by auditor: SH</td> <td style="width: 30%;">Date closed: 21 June 2019</td> </tr> </table>	NC status closed by auditor: SH	Date closed: 21 June 2019
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Major: SH-01	5.2.2	Date issued: 15 Mar 2019
		Requirement:
		5.2.2 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.
		Statement of Nonconformance:
		The action plan has not been updated.
		Evidence of Nonconformance:
		Location:
		Estates – Triang 04 and Triang Selatan 01
		The action plan was available for the year 2017/18 and has been conducted. There is no mention on the updated action plan for year 2019.
		Root Cause and Corrective Action(s): by Auditee representative
		Root cause:
		Lack of proper HCV training by Sustainability Team Leader for the Estate Managers and Assistants (including personnel who are newly employed).
		Correction(s):
		<ol style="list-style-type: none"> 1. HCV Training for Estate Managers & personnel was done on July 2018 2. The HCV Reports are now updated and action plan for is incorporated for year 2019-2020.
		See attached:
<ul style="list-style-type: none"> • HCV Training – Attendance & Training document • Revised HCV reports of respective Estates reviewed and signed by Estate Managers 		
Corrective Action:		
<ol style="list-style-type: none"> 1. A responsible officer is appointed to ensure that the HCV Reports are reviewed and updated each year and signed by Estate Managers 2. Monthly monitoring checklists and reports are done starting from July 2019 		
See attached:		
<ul style="list-style-type: none"> • Appointment letters • Monitoring checklist – month of July 2019 		
Verification on Corrective Action(s): by Lead Auditor / Auditor		
On-site Verification done on: 19 - 21 June 2019		
Corrective Actions taken: As stated above		
Supportive evidences: As submitted and verified on site are:		
<ul style="list-style-type: none"> - Revised Water Management Plans for POM and Estates - Locations and Signages indicated in the Field maps. 		
Further submission of evidences which were not available on 21 June 2019, were later submitted to the Auditor via emails on 26 July 2019 as follows:		
<ul style="list-style-type: none"> - Respective Appointment Letters of Assistant Managers dated 8 July 2019 and records of briefing provided to the said personnel dated 9 July 2019. - Records of monitoring checklists used since 10 July 2019. 		
Conclusion:		
Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.		
NC status closed by auditor: SH	Date closed: 29 July 2019	
Verification of effectiveness: Next surveillance		

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		NC status verified by auditor:--	Date verified:-
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NC#	MYNI Indicator	Details of Non-Conformance (NC)
Major: SH-03	5.3.3	Date issued: 15 Mar 2019
		Requirement: 5.3.3. A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.(minor)
		Statement of Nonconformance: The implemented waste management plan was not effectively implemented and managed.
		Evidence of Nonconformance:
		Location: 1. POM At the POM, it was discovered that wastes such as plastic bottles, polystyrene food containers and other wastes were scattered at the demarcated organic waste area meant for EFB, POME cake. 2. Estate – Triang 02 At the plantation, it was observed that waste materials such as empty plastic chemical containers, plastic bottles, food containers and other unwanted materials were seen scattered at various areas within the plantation. Also, waste materials were seen scattered around the staff quarters. Auditors' specific note: As the above issue had been raised in the previous audit (2017/18), and it is now recurring, this non-conformance is now upgraded from Minor to Major status.
		Root Cause and Corrective Action(s): by Auditee representative

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		<p>Root cause:</p> <ol style="list-style-type: none"> 1. Lack of proper review of the Waste Management Plans and poor monitoring done by Mill and Estate Managers and Assistants. 2. Lack of regular briefing to workers on proper Waste Management and Disposal. <p>Correction:</p> <ol style="list-style-type: none"> 1. Waste Management Plan is revised to includes all the types/ categories of Waste and Methods used for Disposal. See attached 2. Briefing done on Domestic Waste Management to employees See attached 3. Cleaning done at KS Triang area by collecting and removing residues such as plastic bottles, polystyrene food containers and other remnants in demarcated organic waste areas. See attached. 4. Cleaning done Triang 2 Estate and Triang 2 housing area by collecting and removing waste such as empty plastic containers, plastic bottles, food containers and other unnecessary materials See attached. <p>Corrective Action:</p> <ol style="list-style-type: none"> 1. Appointment of a responsible officer for the Waste Management and Disposal 2. Monitoring checklist in monitoring the cleanliness of the estate operation and workers' premises on a weekly basis starting from July 2019 <p>See attached:</p> <ul style="list-style-type: none"> • Appointment letters • Monitoring checklist – month of July 		
		Verification on Corrective Action(s): by Lead Auditor / Auditor		
		<p>On-site Verification done on: 19 - 21 June 2019</p> <p>Corrective Actions taken: As stated above</p> <p>Supportive evidences: As submitted and verified on site are:</p> <ul style="list-style-type: none"> - Revised Waste Management Plans and Disposal Plans for POM and Estates <p>Further submission of evidences which were not available on 21 June 2019, were later submitted to the Auditor via emails on 26 July 2019 as follows:</p> <ul style="list-style-type: none"> - Respective Appointment Letters of Assistant Managers dated 8 July 2019 and records of briefing provided to the said personnel dated 9 July 2019. - Records of monitoring checklists used since 10 July 2019. 		
		<p>Conclusion:</p> <p>Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<table style="width: 100%; border: none;"> <tr> <td style="border: none;">NC status closed by auditor: SH</td> <td style="border: none; text-align: right;">Date closed: 29 July 2019</td> </tr> </table>	NC status closed by auditor: SH	Date closed: 29 July 2019
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NC#	MYNI Indicator	Details of Non-Conformance (NC)
Major JMD-01	2.1.3	Date issued: 15 Mar 2019
		Requirement:
		Criterion 2.1 There is compliance with all applicable local, national and ratified international laws and regulations. 2.1.3 A mechanism for ensuring compliance shall be implemented.
		Statement of Nonconformance: Mechanism to ensure compliance to the applicable laws are not effectively implemented.
		Evidence of Nonconformance: Location: Triang Selatan 1 Estate 1. In Triang Selatan 1 Estate, the contractor for FFB transport, i.e. 00961356-P had not submitted necessary documents as evidence of legal compliance. These documents include; a. Agreement for two (2) workers. b. Valid driver's license. 2. The contractor for domestic waste collection at Triang POM workers quarter, had not submitted agreement for 1 (one) worker as evidence of legal compliance. Auditor's specific note: As the above similar issues were raised in the previous assessment (2017/18) and currently found to be not adequately addressed, this non-compliance is now upgraded from a Minor to Major status.
		Root Cause and Corrective Action(s): by Auditee representative
		Root cause: Lack of proper monitoring on Legal compliance by POM & Estate Managers and Assistants including requirements of Contracts for contractors. Correction: a. Latest Employment Agreement and a valid driving license of FFB transport of contract workers. See attached. b. Latest Employment Agreement to domestic waste collector workers in KS Triang employee housing. See attached.
		Corrective Action: <ul style="list-style-type: none"> • Appointment of a trained officer who is responsible to ensure monitoring of Legal compliance documents • Monitoring checklist on Licenses and Contracts on monthly basis starting from June 2019 See attached: <ul style="list-style-type: none"> • Appointment letters & qualification of Safety & Health officers • Monitoring checklist – month of June
		Verification on Corrective Action(s): by Lead Auditor / Auditor

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		<p>On-site Verification done on: 19 - 21 June 2019</p> <p>Corrective Actions taken: As stated above</p> <p>Supportive evidences: As submitted and verified on site are:</p> <ul style="list-style-type: none"> - Valid Driving licenses of FFB transport drivers of the Estates. <p>Note: Contractor's workers' payslips and copies of Contractors' workers Employment agreements were not adequately available on 21 June 2019.</p> <p>Further submission of evidences which were not available on 21 June 2019, were later submitted to the Auditor via emails on 28 August 2019 as follows:</p> <ul style="list-style-type: none"> - Respective Appointment Letters of Assistant Managers dated between 6 and 24 August 2019 and records of briefing provided to the said personnel dated 24 August 2019. - Records of monitoring checklists used since 10 August 2019. - Copies of Contractor's workers' payslips and copies of Contractors' workers Employment agreements. 		
		<p>Conclusion:</p> <p>Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status closed by auditor: JMD</td> <td style="width: 40%;">Date closed: 29 Aug 2019</td> </tr> </table>	NC status closed by auditor: JMD	Date closed: 29 Aug 2019
NC status closed by auditor: JMD	Date closed: 29 Aug 2019			
		Verification of effectiveness: Next surveillance		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified by auditor:</td> <td style="width: 40%;">Date verified:</td> </tr> </table>	NC status verified by auditor:	Date verified:
NC status verified by auditor:	Date verified:			

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Major JMD-02	6.1.1	Date issued: 15 Mar 2019
		Requirement:
		Criterion 6.1 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. 6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.
		Statement of Nonconformance:
		Contents of the social impact assessment report is inadequately updated.
		Evidence of Nonconformance:
		Location: Triang POM, Triang 2 Estate, Triang 4 Estate and Triang Selatan 1 Estate The social impact assessment reports were presented under individual operating units. However the overall social impact of the Grouping (as a combined whole) with documented references / linkages to Social Management Plans and Objectives were not adequately updated and presented for continual improvements.
		Root Cause and Corrective Action(s): by Auditee representative

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		<p>Root cause: Lack of proper SIA Training by Sustainability Team Leader for the Mill and Estate Managers and Assistants (including personnel who are newly employed).</p> <p>Correction(s): SIA Reports for Mill & Estates are now revised with the following information included: Social Management plan, Social impact objective, Social continuous improvement plan</p> <p>Corrective Action:</p> <ul style="list-style-type: none"> • Appointment of a trained officer who is responsible to ensure monitoring of SIA and action plans. • Monitoring checklist on Licenses and Contracts on monthly basis starting from June 2019 <p>See attached:</p> <ul style="list-style-type: none"> • Appointment letters – 24 August 2019 • Training record done for the SIA officers – 28 Aug 2019 • Monitoring checklist – month of Aug & Sept 2019 		
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p>		
		<p>On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Revised SIA Reports of Mill and Estates which include information on Social Management plan, Social impact objectives, Social continuous improvement plan</p> <p>Further submission of evidences which were not available on 21 June 2019, were later submitted to the Auditor via emails on 28 August 2019 as follows: - Respective Appointment Letters of Assistant Managers dated between 6 and 24 August 2019 and records of Training / Briefing provided to the said personnel dated 24 August 2019. - Records of monitoring checklists used since 10 August 2019.</p>		
		<p>Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status closed by auditor: JMD</td> <td style="width: 40%;">Date closed: 5 Sept 2019</td> </tr> </table>	NC status closed by auditor: JMD	Date closed: 5 Sept 2019
NC status closed by auditor: JMD	Date closed: 5 Sept 2019			
		<p>Verification of effectiveness: Next surveillance</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified by auditor:-</td> <td style="width: 40%;">Date verified:-</td> </tr> </table>	NC status verified by auditor:-	Date verified:-
NC status verified by auditor:-	Date verified:-			

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Major JMD-03	6.5.1	Date issued: 15 Mar 2019
		Requirement: Documentation of pay and conditions shall be available.
		Statement of Nonconformance: Documentation of pay and conditions are available in all estates and mill audited, however the non-conformances mentioned below were found; 1) Annual leave eligibility was not applied according to the Employment Act 60E (1) (b). 2) Public holiday pay and works conducted during public holiday were not calculated according to Employment Act 1955, 60D (1), 60D (3) and 60I (1c).
		Evidence of Nonconformance:

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	<p>Location: Triang 2 Estate, Triang 4 Estate</p> <p>1. Employment Act 60E(1)(b) stated that workers who has been employed for a period of two years or more but less than five years are entitled for twelve (12) days annual leaves, however;</p> <p style="margin-left: 20px;">a. In Triang 2 estate, two (2) workers who have been employed for more than two (2) years were only paid with eleven (11) days annual leaves at the end of the year 2018.</p> <p style="margin-left: 20px;">b. In Triang 4 Estate, one (1) worker who have been employed for more than two (2) years were only paid with eleven (11) days annual leaves at the end of the year 2018.</p> <p>2. Employment Act 1955 under sections 60D(1), 60D(3) and 60I(1c) stated public holiday pay and works conducted during public holidays for all daily and piece rated workers should be based on one (1) ordinary rate of pay and two (2) ordinary rate per piece.</p> <p style="margin-left: 20px;">However, in all estates audited, payment for public holiday and works conducted during public holidays for all daily and piece rated workers are based on three times of normal rate per piece.</p>		
	<p>Root Cause and Corrective Action(s): by Auditee representative</p> <p>Root cause: The payment miscalculations in the FGV Administration Department payroll system was not detected or clearly communicated by Estate Managers.</p> <p>Correction:</p> <p style="margin-left: 20px;">a. The miscalculations of payment to workers is now communicated by Estate Managers to the FGV Administration Department for Payroll. See attached.</p> <p style="margin-left: 20px;">b. Payments of arrears for the affected workers is made on April 2019. See attached.</p> <p>Corrective Action:</p> <ul style="list-style-type: none"> • Appointment of a trained Payroll officer who is responsible to ensure the correct calculations for monthly worker payments. • Training done for the Payroll officer on the proper calculations of pay according to the Employment Act. <p>See attached:</p> <ul style="list-style-type: none"> • Appointment letters • Training record done for the Payroll officers. 		
	<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p> <p>On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Records of payment arrears submitted for Apr & May 2019 to affected workers.</p> <p>Further submission of evidences which were not available on 21 June 2019, were later submitted to the Auditor via emails on 28 August 2019 as follows: - Respective Appointment Letters of Payroll Officers in Charge dated 24 August 2019 and records of Training / Briefing provided to the said personnel dated 26 August 2019. - Records of monitoring checklists used since August 2019.</p>		
	<p>Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">NC status closed by auditor: JMD</td> <td style="width: 40%; border: none;">Date closed: 29 August 2019</td> </tr> </table>	NC status closed by auditor: JMD	Date closed: 29 August 2019
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		Verification of effectiveness: Next surveillance	
		NC status verified by auditor:-	Date verified:-

NC#	MYNI Indicator	Details of Non-Conformance (NC)
Minor JMD-04	6.2.3	Date issued: 15 Mar 2019
		Requirement:
		A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.
		Statement of Nonconformance:
		All stakeholders affected by the operating certified units were not adequately identified and included in the stakeholder lists.
		Evidence of Nonconformance:
		Location: Triang POM, Triang 2 Estate
		<ol style="list-style-type: none"> 1. In Triang POM, two individual FFB suppliers were not identified nor included in the stakeholder list which is maintained by the mill. 2. In Triang 2 Estate smallholders surrounding and within the boundary of the estate were not identified and included in the stakeholder list maintained by the estate.
		Root Cause and Corrective Action(s): by Auditee representative
		Root cause: <ol style="list-style-type: none"> a. Lack of effort to update the Stakeholder lists by Mill Management. b. Lack of effort to identify and contact the owner/caretaker of the neighbouring estates by the Estate Management.
		Correction: <ol style="list-style-type: none"> a. Updated – List of Stakeholders at POM including the individual FFB supplier. See attached. b. Updated - List of external neighbouring stakeholders of the Estate. See attached
		Corrective Action: <ol style="list-style-type: none"> a. Appointed Mill Assistant is responsible for monitoring and updating the List of Stakeholders including any new FFB Suppliers. b. Appointed Estate Assistant is responsible for monitoring an updating information of neighbouring stakeholders every year by sending survey form
		Verification on Corrective Action(s): by Lead Auditor / Auditor
		On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Records of payment arrears submitted for Apr & May 2019 to affected workers. Respective Appointment Letters of Mill and Estates Assistants dated 24 August 2019 and records of Training / Briefing provided to the said personnel dated 26 August 2019.
Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.		
NC status closed by auditor: JMD	Date closed: 29 August 2019	
		Verification of effectiveness: Next surveillance
		NC status verified by auditor: _____ Date verified: _____

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NC#	MYNI Indicator	Details of Non-Conformance (NC)
Minor JMD-05	6.5.3	Date issued: 15 Mar 2019
		Requirement:
		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. National standard: Workers' Minimum Standards of Housing and Amenities Act 1990, Section 23(2) requires workers quarters inspection to be conducted weekly and include all workers quarters as well as community hall.
		Statement of Nonconformance:
		The Inspection of workers quarters was not conducted according to the national standard.
		Evidence of Nonconformance:
		Location: Triang 2 Estate, Triang 4 Estate, Triang Selatan 1 Estate
		<ol style="list-style-type: none"> 1. In Triang 2 Estate, the inspection of workers quarters was conducted at least once a month and did not cover local workers quarters as well as the mosque. 2. In Triang 4 Estate, inspection of workers quarters did not cover local workers quarters as well as the mosque. 3. In Triang Selatan 1 Estate, inspection of workers quarters did not cover local workers quarters.
		Auditor's specific note: The above issues were noted to be of a different nature and were not related to the issues raised during previous assessment (2017/18) under the same indicator which was addressed. Thus, a Minor NC status is maintained.
		Root Cause and Corrective Action(s): by Auditee representative
		Root cause: Worker's dormitory inspection was not done periodically and did not cover all basic facilities of the estate and housing of local workers due to lack of monitoring officer.
		Correction: Checklist for Weekly Inspection for Workers' housing and all facilities is revised. Revised Checklist was used starting on May 2019.
		Corrective Action: <ul style="list-style-type: none"> • Appointment of Safety & Health Committee members (AJK) for monitoring of all Safety & Health issues including inspection of Workers housing and facilities. • Monitoring checklist on weekly basis starting from May 2019
Verification on Corrective Action(s): by Lead Auditor / Auditor		
On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Records of Monitoring Checklists completed in July 2019, which included the inspection of workers housing conditions and facilities by the respective appointment Safety & Health Committee members (Ahli Jawatankuasa – AJK) of Mill and Estates.		
Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.		
NC status closed by auditor: JMD	Date closed: 30 July 2019	

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		Verification of effectiveness: Next surveillance
	NC status verified by auditor:	Date verified:

NC#	MYNI Indicator	Details of Non-Conformance (NC)	
Minor: JMD-06	6.8.3	Date issued: 15 Mar 2019	
		Requirement:	
		Criterion 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited. 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.	
		Statement of Nonconformance: Discrimination based on age is detected in the recruitment and hiring process.	
		Evidence of Nonconformance:	
		Location: Ladang FGV Triang Selatan 01 The Job advertisement to hire new Field Mandores published by Ladang FGV Triang Selatan 01 had stated the age of candidates qualified to apply for the vacancies is only between 18 – 35 years old.	
		Root Cause and Corrective Action(s): by Auditee representative	
		Root cause: Lack of awareness and understanding of Group Sustainability Policy by Estate Management (Manager, Assistants & Admin personnel) related to Equal Opportunity & Non-Discrimination. Correction: Job advertisement template is revised and will state that required age of applicants is '18 and above' for the vacancies Corrective Action: Appointed responsible Admin officer for ensuring the information of Job advertisements/ Vacancies are in accordance with to the Group Sustainability Policy.	
		Verification on Corrective Action(s): by Lead Auditor / Auditor	
		On-site Verification done on: 19 - 21 June 2019 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Copy of revised Job scope of Admin Officers of Mill and Estates, who will communicate with the HQ on any matters on new employment of workers.	
		Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.	
		NC status closed by auditor: JMD	Date closed: 21 June 2019
		Verification of effectiveness: Next surveillance	
		NC status verified by auditor: -	Date verified: -

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3.2.2 Year 2019: 6 Observations

Ref No:	MYNI Indicator	Details of Observation	Status		
			Opened date	Closed date	Remark, if any
OBS: AL-01	RSPO CS (2017) Clause 4.5.4 (d)	<p>Location: FGV-HQ</p> <p>FGV has conducted internal audit for 69 out of 71 complexes. However, internal audits were not conducted for the remaining two complexes PT CNP and PT TAA. It was stated that FGV had planned to conduct the audits on the said two units (complexes) before year end of 2019. The Internal Audit department is still being revamped.</p> <p><u>Follow up monitoring needed:</u></p> <p>Updates on the internal audit on the said 2 units (at Indonesia) to made available for verification be verified prior to next audit of FGV unit.</p>	15 Mar 2019		Next FGV unit audit
OBS: AL-02	RSPO CS (2017) Clause 4.5.4 (d)	<p>Location: FGV-HQ</p> <p>At the time of audit, FGV is in process of finalizing a revised and clearer positive assurance statement for the FGV HB group due to present internal Management re-structuring.</p> <p><u>Follow up monitoring needed:</u></p> <p>Updates will be further check prior to next audit of FGV unit.</p>	15 Mar 2019		Next FGV unit audit
OBS: AL-03	4.2.1	<p>Location: Ladang FGV Triang 02, Ladang FGV Triang 04 & Ladang FGV Triang Selatan 01</p> <p>It is noted that there is a delay of about 3 months in the delivery of fertilizer against the Fertilizer Programme for 1st quarter of 2019.</p>	15 Mar 2019		Next audit
OBS: AL-04	4.6.11	<p>Location: Ladang Triang 02 & Ladang FGV Triang Selatan 01</p> <p>The said estate management had sent all their pesticide handlers/ workers for the Annual Medical Surveillance for year 2018. The report had indicated that the workers were fit for their work with several specified workers needing a repeat & follow up on the Liver Function Tests.</p> <p>However, the management had not followed up on the LFT within the 3 months' time period as recommended in the report.</p>	15 Mar 2019		Next audit
OBS: AL-05	4.7.4	<p>Location: FGV Triang POM</p> <p>Records on OSH meetings were not well maintained. Minutes of meeting on 19.02.18 was without attendance record, while the meetings on</p>	15 Mar 2019		Next audit

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		15.8.18 & 29.11.18 had just the attendance records but the minutes were not in the file.			
OBS: AL-06	4.8.1	<p>Location: FGV Triang POM, Ladang FGV Triang 02, Ladang FGV Triang 04 & Ladang FGV Triang Selatan 01</p> <p>The annual training programme was sighted during audit. However, the training needs analysis was not thoroughly done.</p>	15 Mar 2019		Next audit

3.2.3 Year 2017 (Dec): 7 NCs (2 Major, 5 Minor)

NC#	MYNI Indicator	Details of NC	
Minor: AL-01	4.1.3	Date issued: 9 Dec 2017	
		Requirement:	
		4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate.	
		Nonconformance:	
		There were records of monitoring of the plantation activities at Triang 02, 04 and Selatan 01 estates. However, the review and analysis of achievement level and reasons for delay/non-achievement is not done e.g. harvesting, IPM, EFB application etc.	
		Root Cause and Corrective Action(s): by Auditee representative	
		Root cause: Weakness from the management to ensure all activities are reviewed and analyzed.	
		Corrective Action: Estates management reviewed and analyzed all estates activities.	
		Verification on Corrective Action(s): by Lead Auditor / Auditor	
		MAJOR NC: -	
		Minor NC:	
		<p>On-site Verification done on: 22 & 23 Feb 2018</p> <p>Corrective Actions taken: As stated above</p> <p>Supportive evidences: As submitted and verified on site are:</p> <ul style="list-style-type: none"> - Monthly review and analysis of estates achievement in the operational activities. <p>Conclusion:</p> <p>Evidences submitted as above for the corrective actions done with attached photographs at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>	
		NC status verified by auditor: Closed by AL	
Verification of effectiveness: Actions taken were verified to be effectively addressed and implemented over past 12 months for closure during ASA-01.			
NC status verified by auditor: AL		Date verified: 15 Mar 2019	

NC #	MYNI Indicator	Details of NC
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Minor: AL-02	4.6.10	Date issued: 9 Dec 2017	
		Requirement:	
		4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated.	
		Nonconformance:	
		Proper disposal of waste material not followed.	
		At Triang 02 estates, it was found during field visit, that food waste containers i.e. plastic bottles and styrofoam boxes, plastic bags were left at the field by workers.	
		At Triang 04 estate, during visit to Workers housing (asrama) Division 2, it was noted that plastic bottles and general waste were clogging the drains at the workers quarters, also old pillows and cupboards were dumped at nearby palm trees.	
		Root Cause and Corrective Action(s): by Auditee representative	
		Root cause:	
		Weak of monitoring and supervision from estates management and estates officers.	
		Corrective Action:	
		Awareness on solid and domestic waste given to all works by estate management to ensure all waste disposed accordingly.	
		Verification on Corrective Action(s): by Lead Auditor / Auditor	
MAJOR NC: -			
Minor NC:			
On-site Verification done on: 22 & 23 Feb 2018			
Corrective Actions taken: As stated above			
Supportive evidences: As submitted and verified on site are:			
<ul style="list-style-type: none"> - Signboards indicating proper disposal methods in the area - Training records and attendance by workers - Schedule for maintenance of area 			
Conclusion:			
Evidences submitted as above for the corrective actions done with attached photographs at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.			
NC status verified by auditor: Closed by AL		Date closed: 7 May 2018	
Verification of effectiveness:			
Actions taken were verified to be effectively addressed and implemented over past 12 months for closure during ASA-01.			
NC status verified by auditor: AL		Date verified: 15 Mar 2019	

NC	MYNI Indicator	Details of NC
Major: AL-03	4.7.3	Date issued: 9 Dec 2017
		Requirement:
		4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (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.
		Nonconformance:

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		<p>Operations concerning Safety and Health.</p> <p>At POM, it was found during that during visit, one worker did not wear ear plug at the high noise area which required workers in that vicinity to wear the said PPE. It was noted also that several lorries transporting FFB and EFB to and from the mill were not using the safety nets to secure the loading.</p> <p>At Triang Selatan 01 estate – nursery area, during visit, two workers found not wearing the long rubber boots and the remaining 4 workers were wearing it.</p>		
		<p>Root Cause and Corrective Action(s): by Auditee representative</p> <p>Root cause: Management failed to ensure all workers wearing PPE's during work.</p> <p>Corrective Action: Awareness on PPE from the management and continuous monitoring from the management</p>		
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p> <p>MAJOR NC: On-site Verification done on: 22 & 23 Feb 2018 Corrective actions taken: As stated by Auditee in their RC & CA Supportive evidences: As submitted and verified on site are: - Training records and attendance by workers - Checklist records on PPE checking during daily Muster</p> <p>Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<p>Minor NC: -</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by AL</td> <td style="width: 30%;">Date closed: 7 May 2018</td> </tr> </table>	NC status verified by auditor: Closed by AL	Date closed: 7 May 2018
NC status verified by auditor: Closed by AL	Date closed: 7 May 2018			
		<p>Verification of effectiveness: Actions taken were verified to be effectively addressed and implemented over past 12 months for closure during ASA-01.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: AL</td> <td style="width: 30%;">Date verified: 15 Mar 2019</td> </tr> </table>	NC status verified by auditor: AL	Date verified: 15 Mar 2019
NC status verified by auditor: AL	Date verified: 15 Mar 2019			

NC	MYNI Indicator	Details of NC
Major: SH-01	5.2.1	Date issued: 9 Dec 2017
		Requirement:
		5.2.1 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).
		Nonconformance:

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		<p>Biodiversity assessment has taken into consideration and identified the existence of environmentally sensitive areas such as swamps and has develop the action plan. It was however, found that the action plan has not been implemented effectively.</p> <ol style="list-style-type: none"> 1. At FGVPM Triang Selatan 1, the swamp was without the demarcation of the riparian zones and no notices or signs indicating the importance of the area. Also, riparian zone along Sungai Mengkuang has not been indicated and marked on the ground. 2. At FGVPM Triang 4, a forested area remains idle with no management action taken. 3. All estates borders the RAMSAR site. It was observed that the existence and importance of this area has not been addressed. The action plan for this area has not been effectively implemented. 		
		<p>Root Cause and Corrective Action(s): by Auditee representative</p> <p>Root cause: Management had overlook this matter and there is RAMSAR signboard on RAMSAR site.</p> <p>Corrective Action: Management installed new signboard and management will continued to monitor all sensitive area</p>		
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p> <p>MAJOR NC: On-site Verification done on: 22 & 23 Feb 2018 Corrective actions taken: As stated by Auditee in their RC & CA Supportive evidences: As submitted and verified on site are: - New proper Signboards to indicate management bordering the Ramsar sites - Records of training done for the workers - Schedule for monitoring at the sites - Location Maps of estates indicating the Ramsar site. Conclusion: Evidences submitted as above for the corrective actions done with attached evidences at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<p>Minor NC: -</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by SH & AL</td> <td style="width: 30%;">Date closed: 7 May 2018</td> </tr> </table>	NC status verified by auditor: Closed by SH & AL	Date closed: 7 May 2018
NC status verified by auditor: Closed by SH & AL	Date closed: 7 May 2018			
		<p>Verification of effectiveness: Actions taken were verified to be effectively addressed and implemented over past 12 months for closure during ASA-01.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: SH</td> <td style="width: 30%;">Date verified: 15 Mar 2019</td> </tr> </table>	NC status verified by auditor: SH	Date verified: 15 Mar 2019
NC status verified by auditor: SH	Date verified: 15 Mar 2019			

NC	MYNI Indicator	Details of NC
Minor: SH-02	5.3.3	Date issued: 9 Dec 2017
		Requirement:
		5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.
		Nonconformance:

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		<p>Waste and Landfill management has not been implemented effectively.</p> <p>At the POM, it was noticed that the metal waste has been placed at various locations. There is no proper place demarcated for such waste and it was mixed with other waste materials. There was also no proper signages placed at the effluent ponds.</p> <p>At the plantations, especially FGVPM Triang 4, the opening and closing of the landfill was not indicated. Furthermore, there was no indication on the where about of the landfill and the distances between them and the office or the housing area at all the estates.</p>		
		<p>Root Cause and Corrective Action(s): by Auditee representative</p> <p>Root cause: Lack of monitoring from the management and officers.</p> <p>Corrective Action: 1. Mill management put all of metal waste into one place and install signage at the effluent pond 2. Estate management to identify opening and closing date for the landfill and the distance of the landfill.</p>		
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p>		
		<p>MAJOR NC: -</p>		
		<p>Minor NC: On-site Verification done on: 22 & 23 Feb 2018 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - New proper Signboards to indicate Disposal area for Scrap metals - New signages at landfills with dates indicated. - Records of training done for the workers - Schedule for monitoring at the sites - Location Maps of estates indicating the landfill sites.</p> <p>Conclusion: Evidences submitted as above for the corrective actions done with attached photographs at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by SH</td> <td style="width: 30%;">Date closed: 7 May 2018</td> </tr> </table>	NC status verified by auditor: Closed by SH	Date closed: 7 May 2018
NC status verified by auditor: Closed by SH	Date closed: 7 May 2018			
		<p>Verification of effectiveness: Actions taken were verified to be NOT effectively addressed and implemented over past 12 months. Refer to Major NC: SH-03 issued during ASA-01.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: SH</td> <td style="width: 30%;">Date verified: 15 Mar 2019</td> </tr> </table>	NC status verified by auditor: SH	Date verified: 15 Mar 2019
NC status verified by auditor: SH	Date verified: 15 Mar 2019			

NC	MYNI Indicator	Details of NC
Minor: JMD-01	2.1.3	Date issued: 9 Dec 2017
		Requirement: 2.1.3. A mechanism for ensuring compliance shall be implemented
		Nonconformance:

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		<p>Mechanism to ensure compliance to the law is not implemented</p> <p>In Triang 2 Estate, the contractor hired, i.e. NS 0162219-V, was using at least five different vehicles to transport EFB from the mill to the estate. However, it was found no evidence of submission of valid drivers' licenses for its drivers and road taxes for its vehicles submitted to the estate office.</p>	
		<p>Root Cause and Corrective Action(s): by Auditee representative</p> <p>Root cause: Estate office did not kept a copy of driver's licenses and road tax after doing yearly check.</p> <p>Corrective Action: Management will kept a copy of driver's licenses and road tax and contractors need to surrender a copy of that.</p>	
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p>	
		<p>MAJOR NC: -</p>	
		<p>Minor NC: On-site Verification done on: 22 & 23 Feb 2018 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: Copies of valid license of drivers / road tax of contractors at estates.</p> <p>Conclusion: Evidences submitted as above for the corrective actions done with attached photographs at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>	
		<p>NC status verified by auditor: Closed by JMD & AL</p>	<p>Date closed: 7 May 2018</p>
		<p>Verification of effectiveness: Actions taken were verified to be effectively addressed and implemented over past 12 months for closure during ASA-01.</p>	
		<p>NC status verified by auditor: JMD</p>	<p>Date verified: 15 Mar 2019</p>

NC	MYNI Indicator	Details of NC
Minor: JMD-02	6.5.3	Date issued: 9 Dec 2017
		Requirement:
		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.
		Nonconformance:
		Incorrect beneficiary names in the FWCS
		<p>In FGVP M Triang Selatan 1 Estate, at least 19 workers were found to have names of their beneficiaries (next of kin) which were not matching with those stated in the Foreign Workers Compensation Scheme [FWCS] issued by Etiqa Insurance for the period between 2017 and 2018.</p>
		<p>Root Cause and Corrective Action(s): by Auditee representative</p>

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		<p>Root cause: Management weakness in order to ensure all workers document were accordingly</p> <p>Corrective Action: Management seek for explanation from involved parties and it was faulty from the insurance provider.</p>	
		<p>Verification on Corrective Action(s): by Lead Auditor / Auditor</p>	
		<p>MAJOR NC: -</p>	
		<p>Minor NC: On-site Verification done on: 22 & 23 Feb 2018 Corrective Actions taken: As stated above Supportive evidences: As submitted and verified on site are: - Listing of all foreign workers - Copies of revised Insurance coverage with actual details of next of kin of workers</p> <p>Conclusion: Evidences submitted as above for the corrective actions done with attached photographs at the audited sites were verified and considered to have satisfactorily addressed the issue and acceptable for closure.</p>	
		<p>NC status verified by auditor: Closed by JMD & AL</p>	<p>Date closed: 7 May 2018</p>
		<p>Verification of effectiveness: Actions taken were verified to be effectively addressed and implemented over past 12 months for closure during ASA-01.</p>	
		<p>NC status verified by auditor: JMD</p>	<p>Date verified: 15 Mar 2019</p>

3.2.4 Year 2017 (Dec): Nil Observations

3.2.5 Identified Positive Elements

- 1) The PMU has provided proper infrastructure such as roads, housing and sport facilities for its workers, local residents and communities within the operational management of the PMU.
- 2) The PMU has contributed towards the local economy in providing business and employment opportunities. It has made significant economical contributions towards the socio-economic development of the local communities surrounding the PMU.

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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 FGV Triang 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 (Assessment Year: 2019)

Communication done via email on 10 Feb 2019 to various categories of stakeholders (see list under **para 2.5**):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
Government Agencies: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Non-Governmental Organizations: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Local Communities - Stakeholders' Consultation: Selected stakeholders representing the complete range of various stakeholder categories were invited for the Stakeholders' Consultation on 14/3/2019. A total of 3 stakeholders including from neighbouring Felda settlements and contractors were present at the consultation. They were interviewed by the auditors without the presence of any of the PMU staff. No concerns and suggestions received during interviews and stakeholder consultations.	The PMU will maintain stakeholders as briefed by the auditors during the closing meeting.	Verified during on-site assessment that no response needed. Actions to be followed up are as per the NCs and Observations issued during current ASA-01 audit.	Next audit.
Stakeholders – Worker Interviews: Interviews of sampled staff and workers were also conducted by the auditors during field visits from 11-15 Mar 2019: Staff /Workers sampling: POM = 8 males, 6 females Estate = 12 males, 5 females No negative issues raised by the sampled staff and workers.	No response needed.	No response needed.	Nil
Other Interested parties: No feedback received.	No response needed.	No response needed.	Nil

3.3.2 Feedback Raised by Stakeholders (Initial Assessment – Year 2017)

Communication done via email on 27 Oct 2017 to various categories of stakeholders (see list under **para 2.5**):

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Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
Government Agencies: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Non-Governmental Organizations: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Local Communities - Stakeholders' Consultation: Selected stakeholders representing the complete range of various stakeholder categories were invited for the Stakeholders' Consultation on 9 Dec 2017. A total of 12 stakeholders (Government agencies – 3 nos, Contractors – 1 no and Local Communities – 5 nos,) 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 include: <ol style="list-style-type: none"> 1) Request to clear some of field drains along Kg. Sri Seriting Hulu especially during rainy season. 2) General request from surrounding villagers that all palm oil plantations in the area to ensure water ways are not polluted. 3) To include in the PMU social plan prevention courses to be conducted in collaboration with the AADK. 4) General request from surrounding villagers and road users to prevent any road mishaps that all transporters to use net cover over the FFB while on the road. 	The PMU has held the annual stakeholder consultations with the local communities and additionally via informal community meetings and gatherings. Monitoring is continued to ensure road safety and mitigation measures on any pollution will be maintained.	Verified in the stakeholder consultations meeting minutes maintained that appropriate improvement actions were taken and no evidence of any complaints of a significant nature noted during ASA-01.	No further actions needed
Local Communities - Interviews: Interviews of sampled staff and workers were also conducted by the auditors during field visits from 4 to 9 Dec 2017 at the PMU: Staff / Workers sampling:			



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POM = 10 males, 4 females Estate Offices = 12 males, 4 females Field/sites visit = 18 males, 2 females No issues raised by the sampled staff and workers.	No response needed.	No response needed.	Nil
Other Interested parties: No feedback received.	No response needed.	No response needed.	Nil

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4.0 ASSESSMENT CONCLUSION AND RECOMMENDATION

Based on the findings above, FGV Triang 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 Triang Grouping be continued.

Signed for and on behalf of
Intertek Certification International Sdn Bhd



Augustine Loh
Lead Assessor

Date: 10 Oct 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



Ameer Izyanif Bin Hamzah
Head of Sustainability, Certification and Compliance
Group Sustainability & Environment Department

Date: 10 Oct 2019

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4.2 INTERTEK- RSPO P&C Certificate details for PMU Grouping

Certificate No:	RSPO 931188
New Certificate date:	12 June 2018
Expiry date:	11 June 2023
New PalmTrace License Start date:	12 June 2019
PalmTrace License End date:	11 June 2020
Organization	FGV Holdings Berhad
Address of Head Office:	FGV Holdings Berhad, Sustainability, Certification and Compliance Dept, Group Sustainability Division, Level 20, Wisma FGV (West), Jalan Raja Laut, 50350, Kuala Lumpur, Malaysia.
RSPO Membership No:	1-0225-16-000-00
Plantation Management Unit:	FGVH Triang Complex - Palm Oil Mill & Estates Grouping
Address of POM:	FGV Palm Industries Sdn Bhd, Kilang Sawit Triang, 25700 Kuantan, 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 Module for POM	Mass Balance (MB)

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

Name	Address	GPS Reference		Mature Area (ha)	Certified Area (ha)
		Latitude	Longitude		
FGVPISB Kilang Sawit Triang Capacity: 54 MT/hr.	FGV Palm Industries Sdn Bhd, Kilang Sawit Triang, 25700 Kuantan, Pahang Darul Makmur, Malaysia.	3.2692°N	102.5799°E	-	7,338.28
FGVPM Triang 2 estate	FGVPM Ladang Triang 2, 28300 Triang, Pahang Darul Makmur, Malaysia	3.2284°N	102.5250°E	1,602.52	
FGVPM Triang 4 estate	FGVPM Ladang Triang 4, 28300 Triang, Pahang Darul Makmur, Malaysia	3.2270°N	102.5250°E	1,395.98	
FGVPM Triang Selatan 1 estate	FGVPM Ladang Triang Selatan 1, 28300 Triang, Pahang Darul Makmur, Malaysia	3.1573°N	102.5339°E	2,618.31	

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

FGVPISB Kilang Sawit Triang	Annual Tonnages (MT)
Certified FFB	70,650
Certified CPO	13,425
Certified PK	3,709
Supply Chain Module	Mass Balance (MB)

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Appendix A:**Qualifications of Lead Assessor and Assessment Team****Augustine Loh (AL) Lead Assessor / Team Leader / Technical Expert**

(Palm Oil Mill, Environment, Social, Conservation & HCV area, GAP, IPM, Land Use and Supply Chain)
 – Master in Business Administration, USA and Diploma in Maritime Studies, Singapore

Mr. Augustine Loh is an IRCA Third Party Assessment (TPA) Lead Auditor and IRCA Lead Tutor for IRCA ISO 9001 and OHSAS 18001 Lead Auditor Courses as well as Tutor for RSPO Certification Programs and Integrated Management System in Intertek, Malaysia. He has over 25 years of fieldwork and experience in Palm based product survey, supply chain monitoring, inspection and testing. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001, ISO 14001, OHSAS 18001, ISO 22001, ISO 27001, RSPO Principles and Criteria Lead Assessor Course, RSPO Supply Chain Certification and the International Sustainable Carbon Certification (ISCC) Lead Auditor courses. He has also completed the RSPO training on RSPO P&C, RSPO Palm GHG tool, RSPO RED and RSPO NEXT requirements. He has conducted assessments of organizations in Malaysia, Singapore, Indonesia, Brunei, Thailand, Cambodia and Australia. He is currently the RSPO Regional Program Manager of Intertek Certification International, Malaysia and has performed over 800 auditing days on quality, environmental and safety & health assessments in various sectors including oil palm plantations. He was the RSPO CB Assessment Team Leader / Member which audited several RSPO certified Plantation Management Units since 2009. He was the CB Team Leader in the stakeholder consultation and development of the RSPO Cambodian Local Indicators. He is a member of the CB Internal Review Panel for RSPO Assessment reports since 2010. He is also the Lead Auditor in the Malaysian Sustainable Palm Oil (MSPO) certification.

Mr. Sazali Hasni – Assessor / Technical Expert

(Environment, Conservation and HCV area)
 - Bachelor of Science (Forestry)

Mr. Sazali Hasni 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 RSPO P&C, MYNI Lead Assessor course. 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. He is a member of the RSPO CB Assessment team which audited several RSPO certified Plantation Management Units since 2014. He is also an Auditor in the Malaysian Sustainable Palm Oil (MSPO) certification.

Mr. Jumat Majid – Assessor / Technical Expert

(Social Responsibility and Workers Welfare)
 – BSc (Social Science)

Mr. Jumat Majid has over 15 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 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 successfully completed training in the RSPO P&C, MYNI Lead Assessor course. He has been involved in NGO work in the areas of social impact assessments within the South East Asia region. He is a member of the RSPO Assessment team which audited several RSPO certified Plantation Management Units since 2010. He is also an Auditor in the Malaysian Sustainable Palm Oil (MSPO) certification.

Mr. Mohamad Amirul Saifullah Mohamad Senan (MAS) – Assessor / Technical Expert

(Good Agriculture Practice, Integrated Pest Management, Safety and Health)
 – Bachelor of Agricultural Science (UPM)

Mr. Mohamad Amirul has more than 6 years working experience in the oil palm plantation operations, agriculture, safety and health related field. He was attached to a large publicly listed plantation organisation since 2012. His job responsibilities include supervision and monitoring to ensure that all estate operations are complying to the RSPO, ISCC and MSPO requirements and regulations, Good Agricultural Practice and other standard operation procedures. He was involved in the Internal Audits of plantation operations for compliance with the RSPO, ISCC and MSPO requirements. He has successfully completed RSPO Principles & Criteria Lead Auditor course and the RSPO Supply Chain Certification Lead assessor course in Jan 2019 and the MSPO Lead Auditor course in 2018. He has good on-field knowledge in the Palm Oil sector such as industry fundamentals on good agricultural practices (GAP), best management practices (BMP), sustainability, social and OHS issues (e.g. worker welfare issues and social matters such as employment terms, gender issues, worker welfare etc.) environmental matters (e.g. pollution control, conservation of resources). He is also an Auditor in the Malaysian Sustainable Palm Oil (MSPO) certification.

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Appendix B: Assessment Plan (Actual)

Date	Time	Assessors and Assessment Activity		
		Assessment Team		
11 Mar 2019 (Day 1)	7.00 am – 11.00 am	Travel to Triang Palm Oil Mill		
	11.00 am – 11.30 am	Opening Meeting and Briefing at POM Office (to be attended by representatives from the Estates as well)		
	11.30 am – 1.00 pm	Document Review and Assessment by all Assessors on respective RSPO P&C: P1 to P8 at POM		
		AL (*MAS)	SH	JMD
		Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Mill • P8 Continual Improvement • SCC for POM 	Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
		<ul style="list-style-type: none"> • Verification of effectiveness of corrective actions for non-conformances • Review of Time Bound Plan • Verification for compliance with rules on partial certification 		
	1.00 pm – 2.00 pm	Lunch Break		
	2.00 pm – 5.30 pm	Continue Site assessment at Palm Oil Mill (POM)		
	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		
		AL	SH	JMD
12 Mar 2019 (Day 2)	8.30 am – 12.30pm	Site assessment at Estate 1 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Estates • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
		Lunch Break		
	1.30 pm - 5.30 pm	Continue site assessment at Estate 1		
	5.30 pm – 6.30 pm	Travel to Hotel & Break		
	6.30 pm – 7.30 pm	Team Meeting and Discussion		

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Date	Time	Assessors and Assessment Activity		
		AL	SH	JMD
13 Mar 2019 (Day 3)	8.30 am – 12.30pm	Site assessment at Estate 2 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Estates • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment Estate 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm - 5.30 pm	Continue site assessment at Estate 3		
	5.30 pm – 6.30 pm	Travel to Hotel & Break		
	6.30 pm – 7.30 pm	Team Meeting and Discussion		

Date	Time	Assessors and Assessment Activity		
		AL	SH	JMD
14 Mar 2019 (Day 4)	8.30 am – 11.00 am	Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Mill • P8 Continual Improvement • SCC for POM 	Stakeholders' Consultation on the following categories (see Notes 1 and 2 below): <ul style="list-style-type: none"> • Contractors • Suppliers • Transporters • NGOs • Government Department / Agencies • Local Community Notes 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		
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm – 5.30 pm	Site assessment at estate		
	5.30 pm – 6.30 pm	Travel to Hotel & Break		
6.30 pm – 7.30 pm	Team Meeting and Discussion			

Date	Time	Assessors and Assessment Activity			
		AL	SH	JMD	MAS
15 Mar 2019	8.30 am – 10.30 pm	Site assessment at POM and/or estate to follow up on any specific criteria/areas			

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(Day 5)	10.30 pm – 11.30 pm	Preparation for Closing Meeting
	11.30 pm – 12.30 pm	Team Meeting and Discussions with POM/Estate Management Representatives
	12.30 pm – 1.30 pm	Lunch Break
	1.30 pm – 3.30 pm	Closing Meeting & Briefing at Palm Oil Mill Office
	3.30 pm onward	Travel back to Kuala Lumpur

On-Site Verification (19-21 Jun 2019) (for NC follow up and Closure)

Date	Time	Assessors and Assessment Activity			
		Assessment Team			
19 Jun 2019 (Day 1)	7.00 am – 11.00 am	Travel to Triang Palm Oil Mill			
	11.00 am – 11.30 am	Opening Meeting and Briefing at POM Office (to be attended by representatives from the Estates as well)			
	11.30 am – 12.00 pm	Document Review and Verification for NC closure at site by Assessors on respective RSPO P&C: P1 to P8 at POM			
	12.00 am – 1.00 pm	AL	SH	JMD	MAS
		Verification assessment for NC closure at Palm Oil Mill <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P8 Continual Improvement • SCC for POM 	Verification assessment for NC closure at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Verification assessment for NC closure at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement 	Verification assessment for NC closure at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P4 Best Practices at Mill • P8 Continual Improvement
		<ul style="list-style-type: none"> • Verification of effectiveness of corrective actions for non-conformances • Review of Time Bound Plan • Verification for compliance with requirements for MMU 			
	1.00 pm – 2.00 pm	Lunch Break			
	2.00 pm – 5.30 pm	Verification assessment for NC closure at Estate 1 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P8 Continual Improvement 	Verification assessment for NC closure at Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Verification assessment for NC closure at Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement 	Verification assessment for NC closure at Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P4 Best Practices at Estates • P8 Continual Improvement
	5.30 pm – 6.00 pm	Travel to Hotel & Break			
	6.00 pm – 7.00 pm	Team Meeting and Discussion			

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Date	Time	Assessors and Assessment Activity			
20 Jun 2019 (Day 2)	8.30 am – 11.00 am	AL	SH	JMD	MAS
		Verification assessment for NC closure at Estate 2			
	12.30 pm – 1.30 pm	Lunch Break			
	1.30 pm – 5.30 pm	Verification assessment for NC closure at Estate 3			
	5.30 pm – 6.30 pm	Travel to Hotel & Break			

Date	Time	Assessors and Assessment Activity			
21 Jun 2019 (Day 3)	8.30 am – 10.30 pm	AL	SH	JMD	MAS
		Audit Team Discussions and Preparation for Closing meeting			
	10.30 pm – 11.30 pm	Team discussions with POM / Estate Management Representatives			
	11.30 pm – 12.30 pm	Closing Meeting & Briefing at Palm Oil Mill Office			
	12.30 pm – 1.30 pm	Lunch Break			
	1.30 pm onwards	Travel back to Kuala Lumpur			

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Appendix C-1:

Location of FGV Triang Grouping, Triang, Pahang, Malaysia



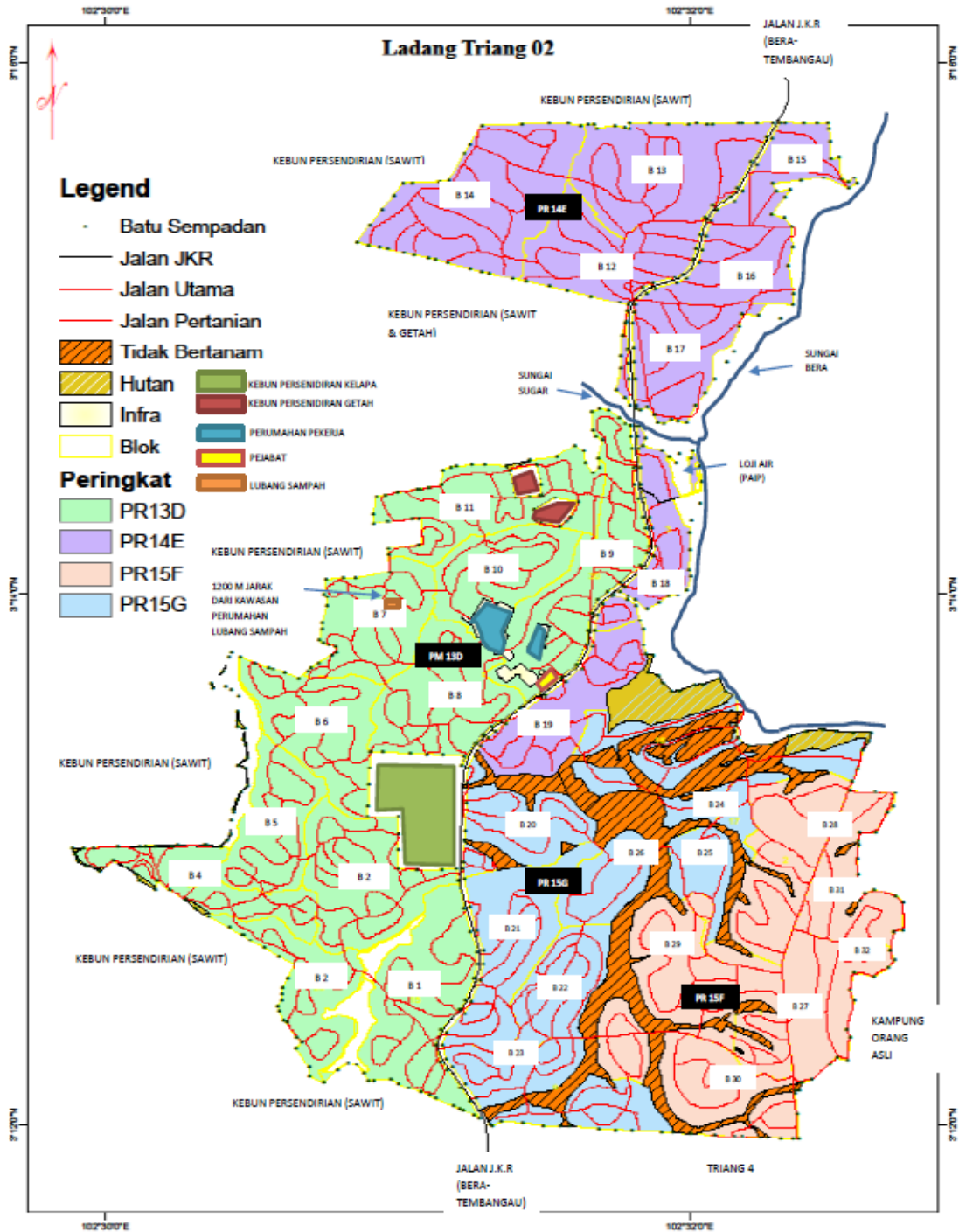
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Appendix C-2-1: FGVPM Triang 2 estate

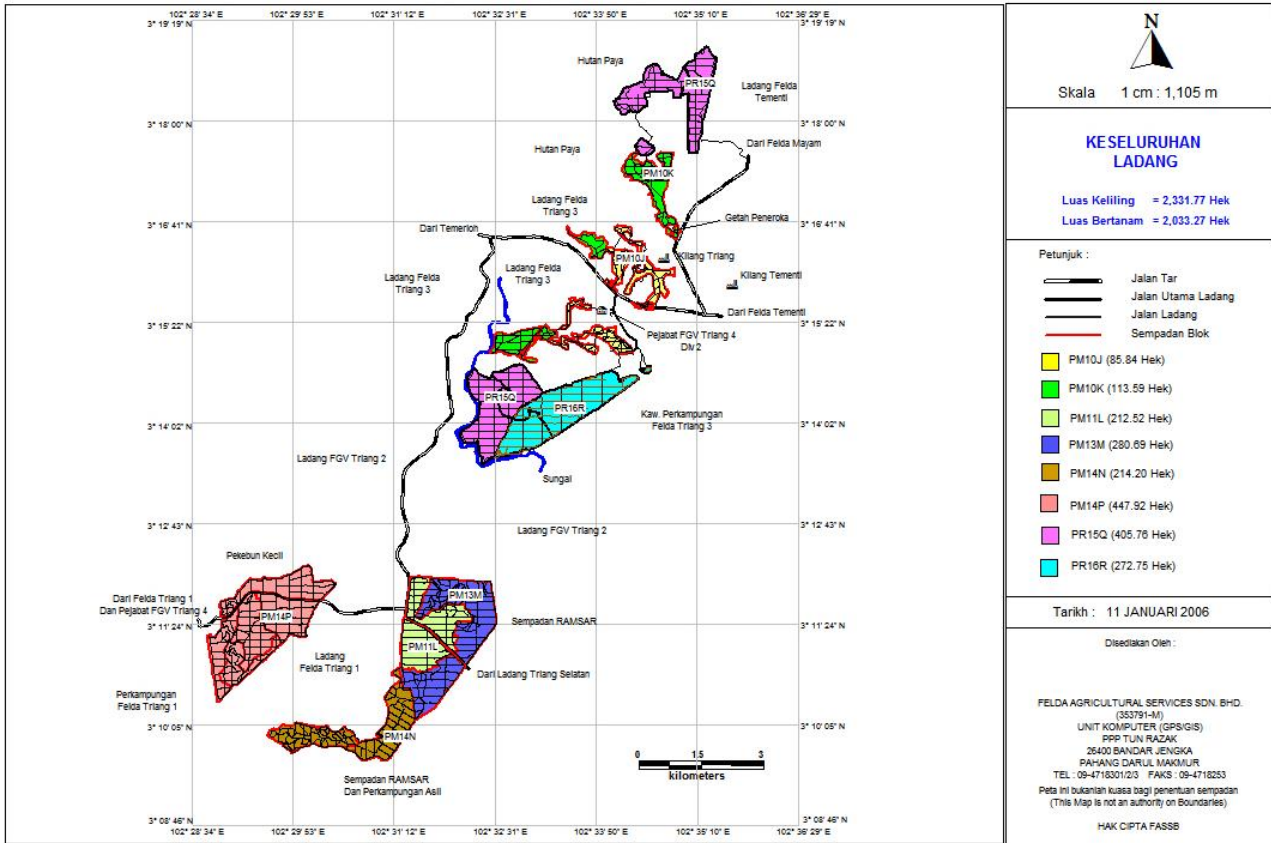


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Appendix C-2-2:
FGVPM Triang 4 estate

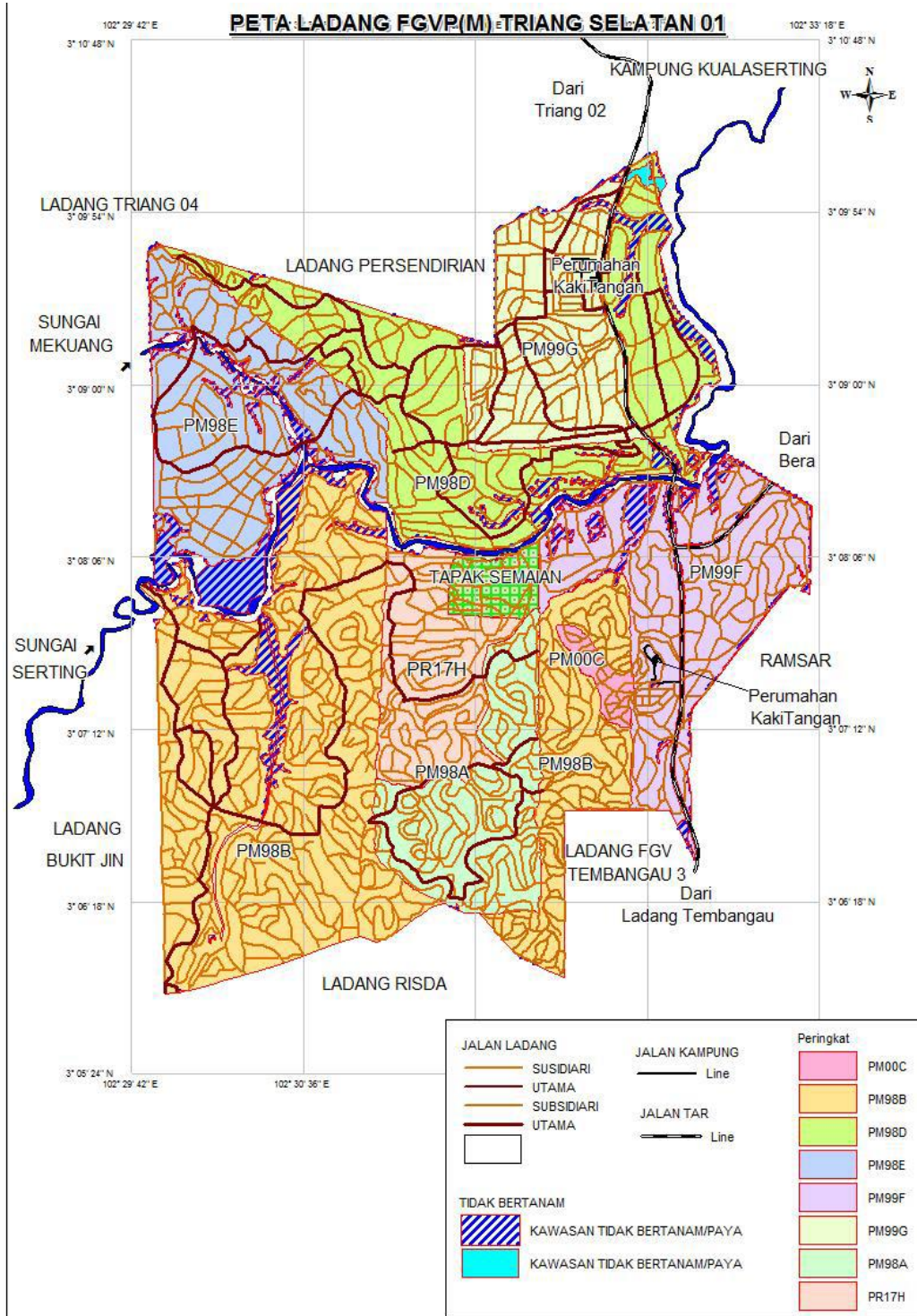
LADANG FELDA TRIANG 04



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Appendix C-2-3:
FGVPM Triang Selatan 1 estate



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Appendix D:

Details of Time Bound Plan as submitted by FGVHB (June 2019)

TBP 2019

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)- No Mill
4	KS BUKIT SAGU	KS KERATONG 3	KS HAMPARAN BADAI	KS TROLAK	PT TEMILIA AGRO ABADI (Indonesia)- No Mill
5	KS KERATONG 09	KS KERTEH	KS MERCU PUSPITA	KS SEMENCHU	FGV Estates Without mill (Paloh)
6	KS LEPAR UTARA 06	KS KOTA GELANGGI	KS LANCANG KEMUDI	KS PANCHING	
7	KS MAOKIL	KS TENGGAROH	KS EMBARA BUDI	KS AIR TAWAR	
8	KS KEMASUL	KS SERTING HILIR	KS BAIDURI AYU	KS LOK HENG	
9	KS KRAU	KS NITAR	KS UMAS	KS SG TENGI	
10	KS LEPAR HILIR	KS JERANGAU BARU	KS TENGGAROH TIMUR	KS PASOH	
11	KS KECHAU B	KS KULAI	KS SELANCAR 2A	KS KAHANG	
12	KS PALONG TIMUR	KS BELITONG	KS BUKIT MENDI		
13	KS TRIANG	KS BUKIT KEPAYANG	KS JENGKA 8		
14	KS BESOUT	KS PENGGELI	KS JENGKA 18		
15	KS NERAM	KS JENGKA 21	KS JENGKA 3		
16	KS CHINI 3	KS ADELA	KS PADANG PIOL		
17		KS CHALOK	KS TERSANG		
18		KS WAHA	KS PONTIAN UNITED		
19		KS SAMPADI	KS TEMENTI		
20		KS MEMPAGA			
21					
TOTAL	16	20	19	11	5
	16	36	55	66	71

RSPO	Certified
	External Audit
	NCs Verification
	Internal Audit
	Preparation for audit

As at 30 April 2019, *33 mills RSPO
certified out of 68 mills.

*including Serting which suspend

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TIME BOUND PLAN FORECAST FOR RSPO CERTIFICATION OF ALL FGV PALM OIL MILLS & SUPPLY BASES							
s/n	Palm Oil Mill	Supply Bases (estates, plantations, associations)					
		internal			external		
		FFB SUPPLIER	Year	Certification Standard	Status	FFB SUPPLIER	Year
67	Asian Plantation Milling Sdn. Bhd	Incosetia Sdn. Bhd	2021	Group Cert	Internal Audit	tbd	
		Kronos plantations Sdn. Bhd	2021	Group Cert		tbd	
		Fortune Plantation Sdn. Bhd	2021	Group Cert		tbd	
		BJ Corporation Sdn. Bhd	2021	Group Cert		tbd	
68	Tanah Emas Oil Palm Processing	Sri Kehuma	2021	Group Cert	Internal Audit	tbd	
		Yapidmas AE	2021	Group Cert		tbd	
		Tanah Emas Corporation Berhad (TECB)	2021	Group Cert		tbd	
		Ladang Kluang	2021	Group Cert		tbd	
		Yapidmas D	2021	Group Cert		tbd	
		Sri Mosta 1	2021	Group Cert		tbd	
		Sri Mosta 2	2021	Group Cert		tbd	
		Sri Mosta 3	2021	Group Cert		tbd	
		Cepat Ringgit A	2021	Group Cert		tbd	
		Cepat Ringgit B	2021	Group Cert		tbd	
		Cepat Ringgit D	2021	Group Cert		tbd	
		Karamuak	2021	Group Cert		tbd	
		Sg Milian	2021	Group Cert		tbd	
		Sg Imbak	2021	Group Cert		tbd	
Kuamut	2021	Group Cert	tbd				
69	PT CITRA NIAGA PERKASA	TBA	2021	INA-NIWG	Internal Audit	tbd	
70	PT TEMILIA AGRO ABADI	TBA	2021	INA-NIWG	Internal Audit	tbd	
71	FGV estate without mills	TBA	2021	MYNI 2014	Internal Audit	FGVPM Paloh	Certified under Kulim Berhad (Ladang Kulim POM)

n/a - not applicable

tbd - to be determine

Individual External FFB Supplier will be updated from time to time within the time bound plan period. The list may varies due to the supplier preferences which mill to send their FFB.

List of External FFB Suppliers are based on 2018 active supplier list.

Certification Standard for Felda/FTP, Independent Settlers and Third Party FFB suppliers are subject to change.

Proposal for New Planting area

No	Proposed New Planting Area	Hectarage	Date of assessment	Status NPP	Remark	Status
1	Ladang FGVPM Tembangau 05	45.84	March 9, 2016 - May 13, 2016	HCVRN CLOSED	HCV Area	Cannot undergo development
	Ladang FGVPM Chegar Perah 02	59.84			Proceed with land clearing	Refer to FGVPM Operation
	Ladang FGVPM Selendang 03	97.14				
	Ladang FGVPM Bukit Sagu 08	61.54				
2	PT CNP, Kalimantan	14,385	Full assesment 22-29 Mac 2018 Public consultations 13-16 July 2018	SEIA: Completed HCV: Completed	NPP Completed	Nursery and Planting Development
3	PT TAA, Kalimantan	8,193		SEIA: Completed	NPP process	Development on some area but stop after the CP issue. Details at link on next column
4	Tawai 01	2740.11	January, 24, 2018 - February, 02, 2018	Second resubmission by Aksenta	First submission failed on 14 Nov 2018.	
	Tawai 02	2745.58				
5	Asian Plantation Limited	25,325.00	5 - 19 February 2015	HCVRN CLOSED	Can proceed with Planting subjected to HCSA report for Grand Performance.	

<https://hcvnetwork.org/reports/hcv-chegar-perah-02-estate-bukit-sagu-08-estate-tembangau-05-estate-selendang-03-estate-malaysia/>

www.rspo.org/files/download/c085da6476b00a1

<https://hcvnetwork.org/reports/hcv-ladang-tawai-1-and-ladang-tawai-2-fgv-malaysia/>

<https://hcvnetwork.org/reports/felda-global-venture-miri-division-sarawak-state-malaysia/>