

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)




CERTIFICATION AUDIT REPORT


Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Lembaga Kemajuan Tanah Persekutuan (FELDA)
Gugusan Jengka 21 [Estates]

-Group Certification-

ANNUAL SURVEILLANCE AUDIT 1
07th July 2020 – 09th July 2020

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	15.07.2020	Issued as Draft Report	Mohd Fadzli Bin Bistamam	Lead Auditor	
B	02.09.2020	Issued as Final Report	Mohd Fadzli Bin Bistamam	Lead Auditor	
B	30.09.2020	Final Report Approved	Muhd Jamalul Arif bin Hamid	Certifier	

Acknowledgment by Lembaga Kemajuan Tanah Persekutuan (FELDA)					
Rev	Date	Description	Management Representative	Role	Signature
B	02.10.2020	Acceptance of the contents	Ros Haslinda Binti Hashim	Agriculture Officer	

Declaration

The auditor(s) has (had) no personal, business or other ties to the client and the assessment is carried out objectively and independently.

WITH INTEGRITY WE SERVE



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Table of Contents

SECTION I : PUBLIC SUMMARY REPORT	3
1.1 Certification Scope	3
1.2 Company details and Contact information.....	3
1.3 Certification Unit.....	3
1.4 Map Showing Geographical Location	5
1.5 Production Area, Actual and Projected FFB Production (MT)	12
1.6 Certificate Details.....	13
1.7 Qualification of the Lead Assessor and Assessment Team.....	14
1.8 Audit Methodology	14
1.9 Audit Plan Information	15
1.10 Audit Result Summary Findings	15
1.11 Stakeholder Consultation.....	16
1.12 Recommendation	17
1.13 Date of Next Surveillance Audit.....	17
1.14 Confidentiality	17
1.15 Abbreviations Used	17
SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA.....	19
2.1 Principle 1 : Management commitment and responsibility	19
2.2 Principle 2 : Transparency	22
2.3 Principle 3 : Compliance to legal requirements.....	25
2.4 Principle 4 : Social responsibility, health, safety and employment condition	29
2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services	40
2.6 Principle 6 : Best practices.....	51
2.7 Principle 7 : Development of new planting.....	56
2.8 Details of Audit Findings.....	60

Note: Section II of this report contain confidential information and been protected from public disclosure.

SECTION I : PUBLIC SUMMARY REPORT**1.1 Certification Scope**

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of **Lembaga Kemajuan Tanah Persekutuan (FELDA), Gugusan Jengka 21 [Estates]**. During this **Annual Surveillance Audit 1 (ASA 1)**, the audit team were briefed by sustainability member, of the supply base disposition. The estates consist of Jengka 21 Estate, Jengka 22 Estate, Jengka 23 Estate, Jengka 24 Estate, Jengka 25 Estate, Jenderak Utara Estate and Jenderak Selatan Estate.

This assessment was conducted onsite on **07th July 2020 to 09th July 2020** to assess the compliance of the certification unit against the **"MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholder"**. The scope of certification is **"Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches"**.

1.2 Company details and Contact information

Company Name	Lembaga Kemajuan Tanah Persekutuan (FELDA)
Business Address	Tingkat 36, Menara FELDA, Platinum Park, No. 11 Persiaran KLCC, 50088 Kuala Lumpur.
Contact Person	Mr. Mohammad Nazri bin Ulin
Office Telephone	+603- 2191 2191
E-Mail	nazri.u@felda.net.my

1.3 Certification Unit**Name of the Certification Unit**

No	Name of the Certification Unit	Site Address	GPS Reference of the site office	
			Longitude	Latitude
1.	Jengka 21 Estate	Felda Jengka 21, 26400 Bandar Pusat Jengka, Pahang.	E 102.470469444	N 3.7302528
2.	Jengka 22 Estate	Felda Jengka 22, 26400 Bandar Pusat Jengka, Pahang.	E 102.478277777	N 3.7107472
3.	Jengka 23 Estate	Felda Jengka 23, 26400 Bandar Pusat Jengka, Pahang.	E 102.475833333	N 3.6349139
4.	Jengka 24 Estate	Felda Jengka 24, 26400 Bandar Pusat Jengka, Pahang.	E 102.436450000	N 3.8215861

5.	Jengka 25 Estate	Felda Jengka 25, 26400 Bandar Pusat Jengka, Pahang.	E 102.431688888	N 3.730325
6.	Jenderak Utara Estate	Felda Jenderak Utara, 28050 Kuala Krau, Pahang.	E 102.312472222	N 3.6788611
7.	Jenderak Selatan Estate	Felda Jenderak Selatan, 28050 Kuala Krau, Pahang.	E 102.31275	N 102.31275

MPOB License Information

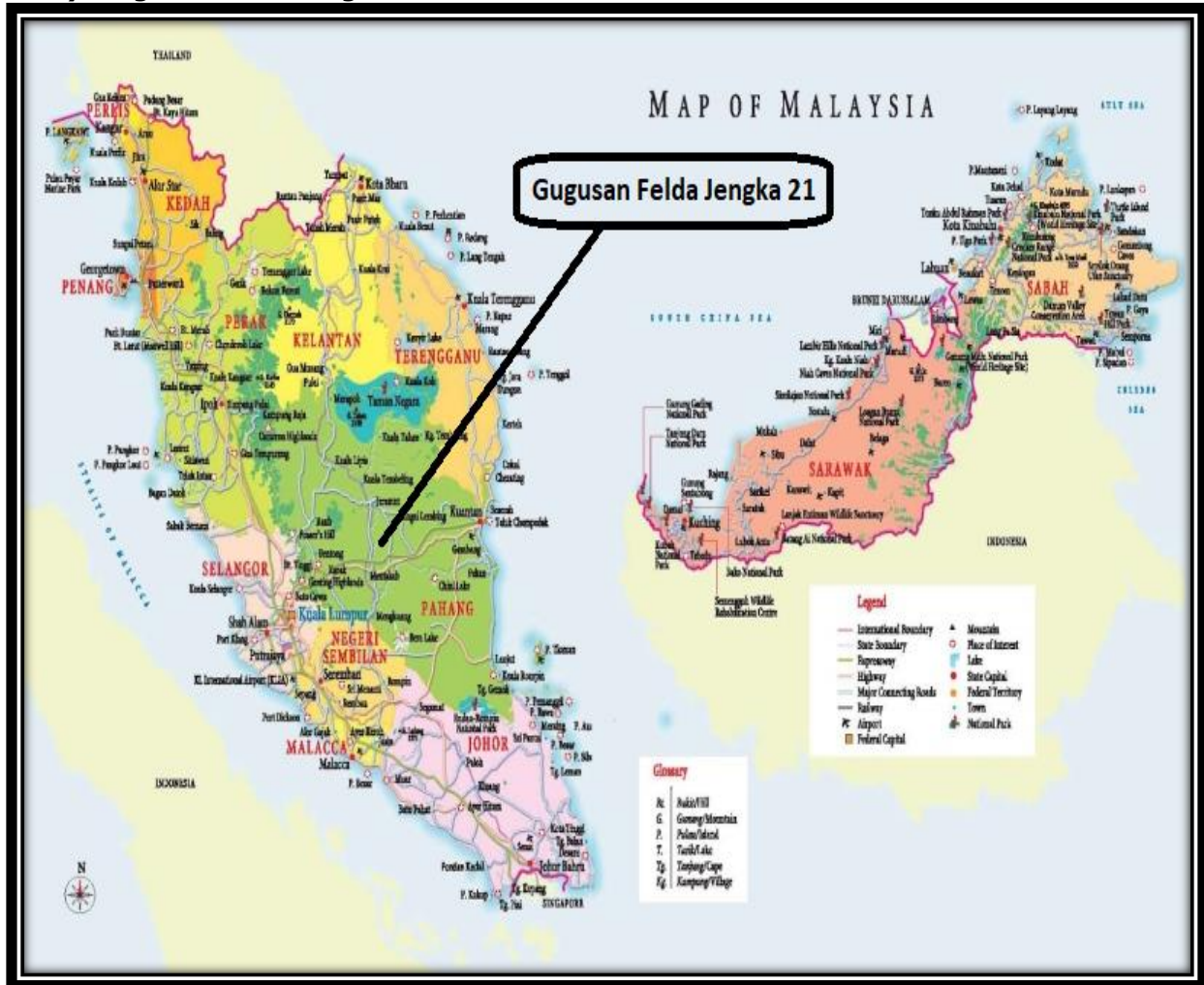
No	Name of the Site	LICENCE NUMBER	EXPIRY DATE	SCOPE ACTIVITY
1	Jengka 21 Estate	51175900200	30.04.2021	"Menjual dan Mengalih FFB"
2	Jengka 22 Estate	511758002000	30.04.2021	"Menjual dan Mengalih FFB"
3	Jengka 23 Estate	500783902000	31.03.2021	"Menjual dan Mengalih FFB"
4	Jengka 24 Estate	500926202000	31.03.2021	"Menjual dan Mengalih FFB"
5	Jengka 25 Estate	500927102000	31.03.2021	"Menjual dan Mengalih FFB"
6	Jenderak Utara Estate	501167402000	31.03.2021	"Menjual dan Mengalih FFB"
7	Jenderak Selatan Estate	501166602000	31.03.2021	"Menjual dan Mengalih FFB"

Others Sustainability Certification

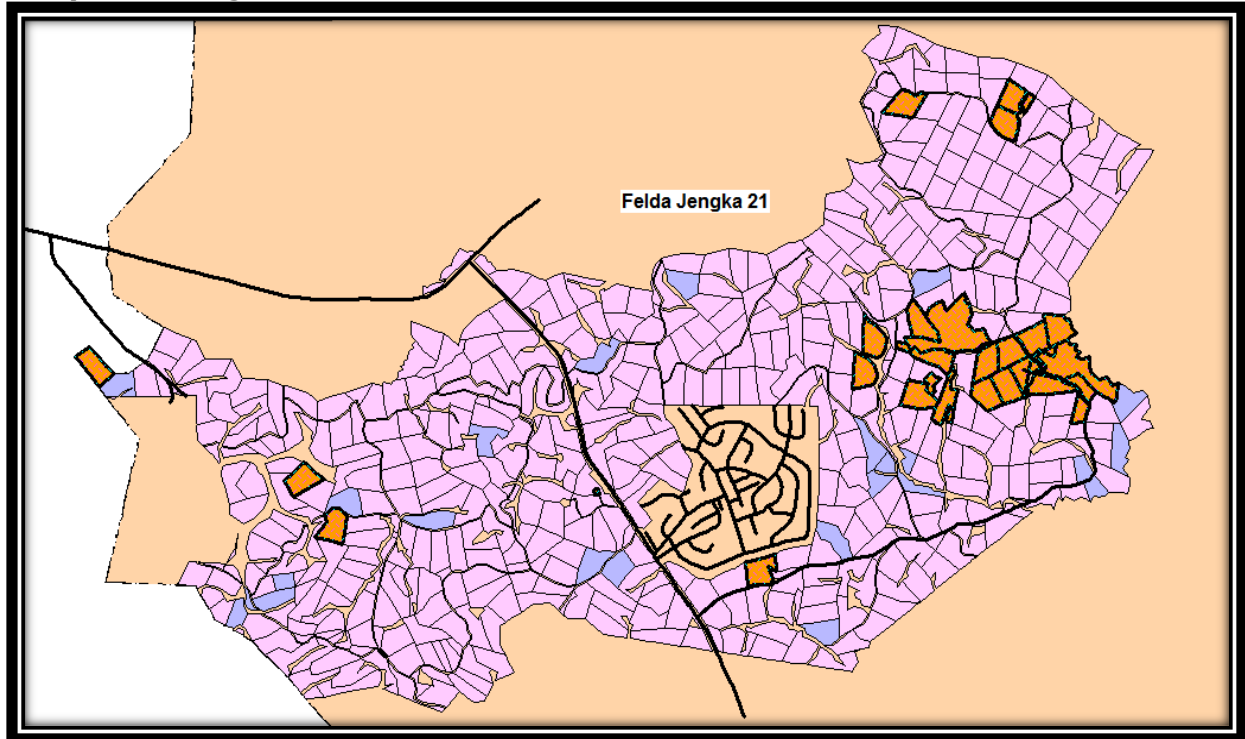
No	Name Of The Site	Others Sustainability Certifications
1.	Jengka 21 Estate	NIL
2.	Jengka 22 Estate	NIL
3.	Jengka 23 Estate	NIL
4.	Jengka 24 Estate	NIL
5.	Jengka 25 Estate	NIL
6.	Jenderak Utara Estate	NIL
7.	Jenderak Selatan Estate	NIL

1.4 Map Showing Geographical Location

1) Gugusan Felda Jengka 21



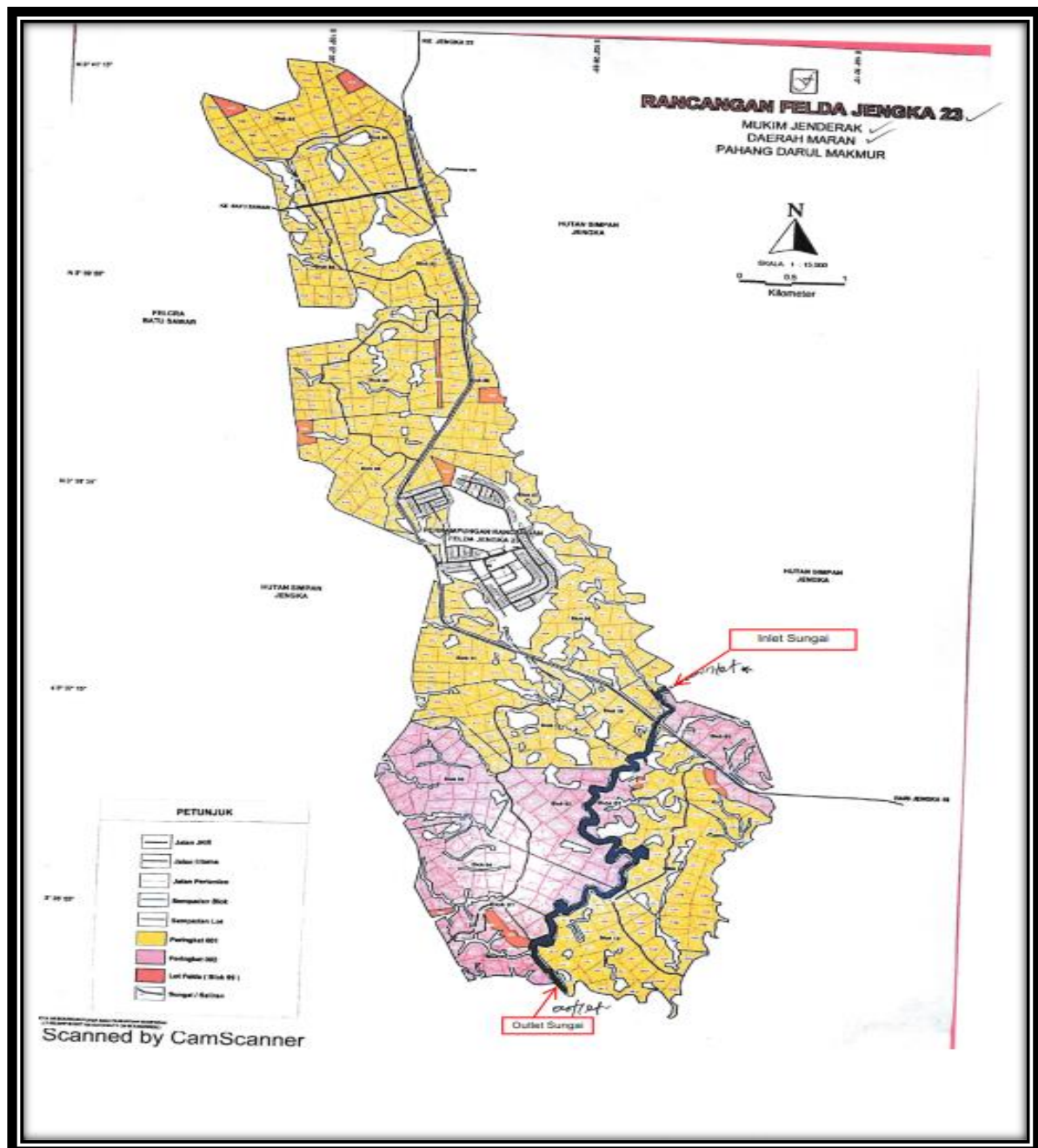
2) Felda Jengka 21 Estate



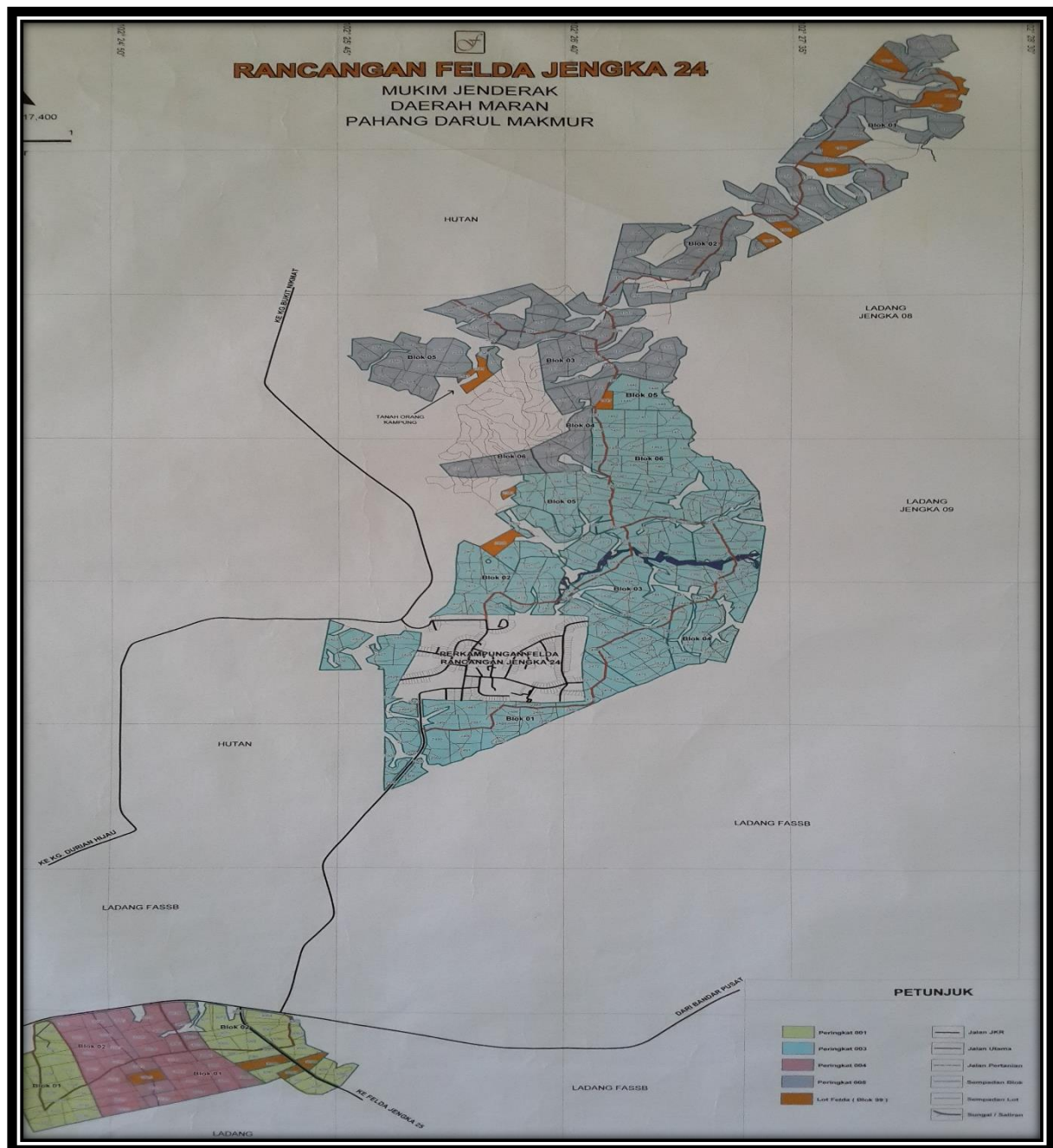
3) Felda Jengka 22 Estate



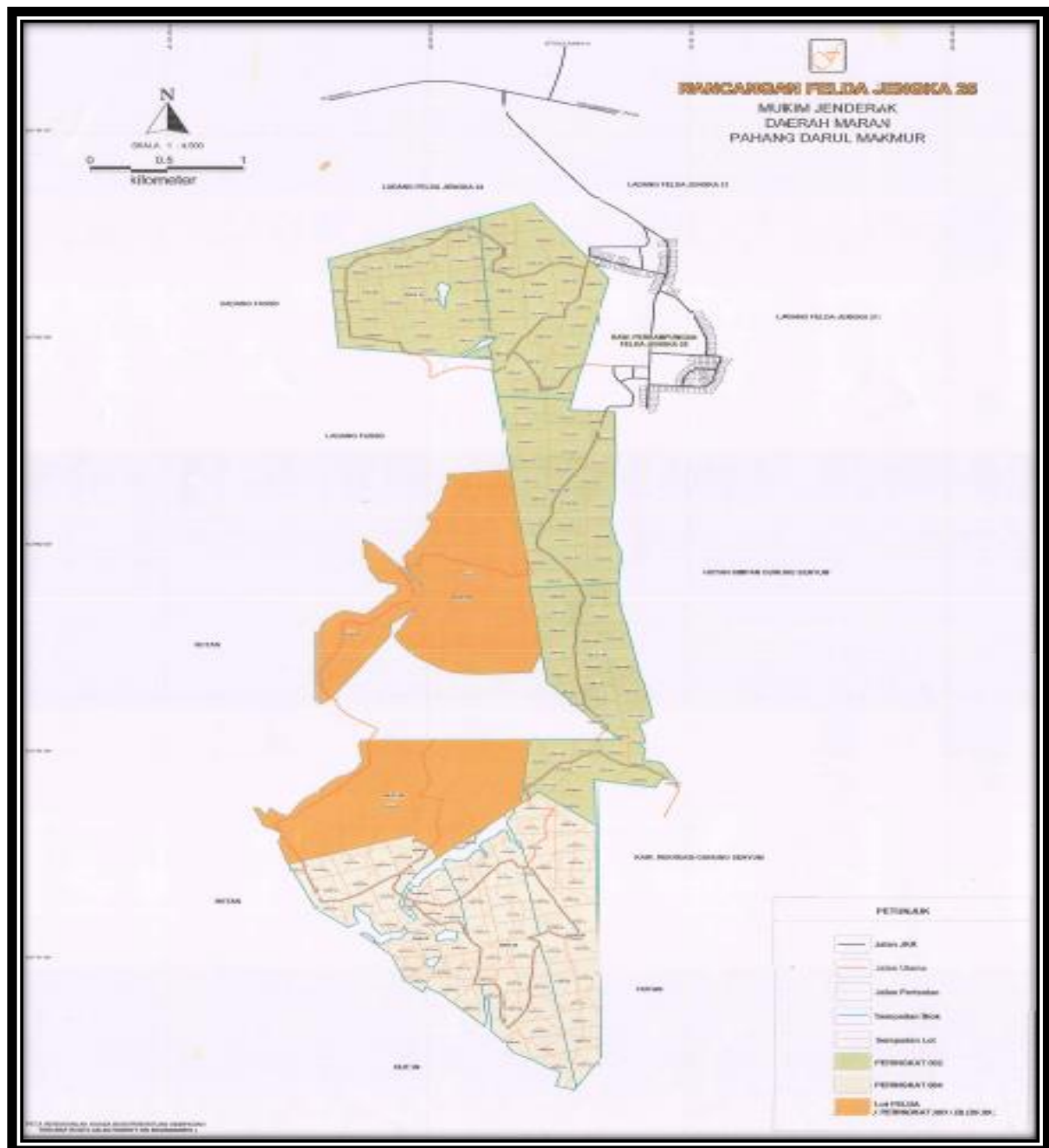
4) Felda Jengka 23 Estate



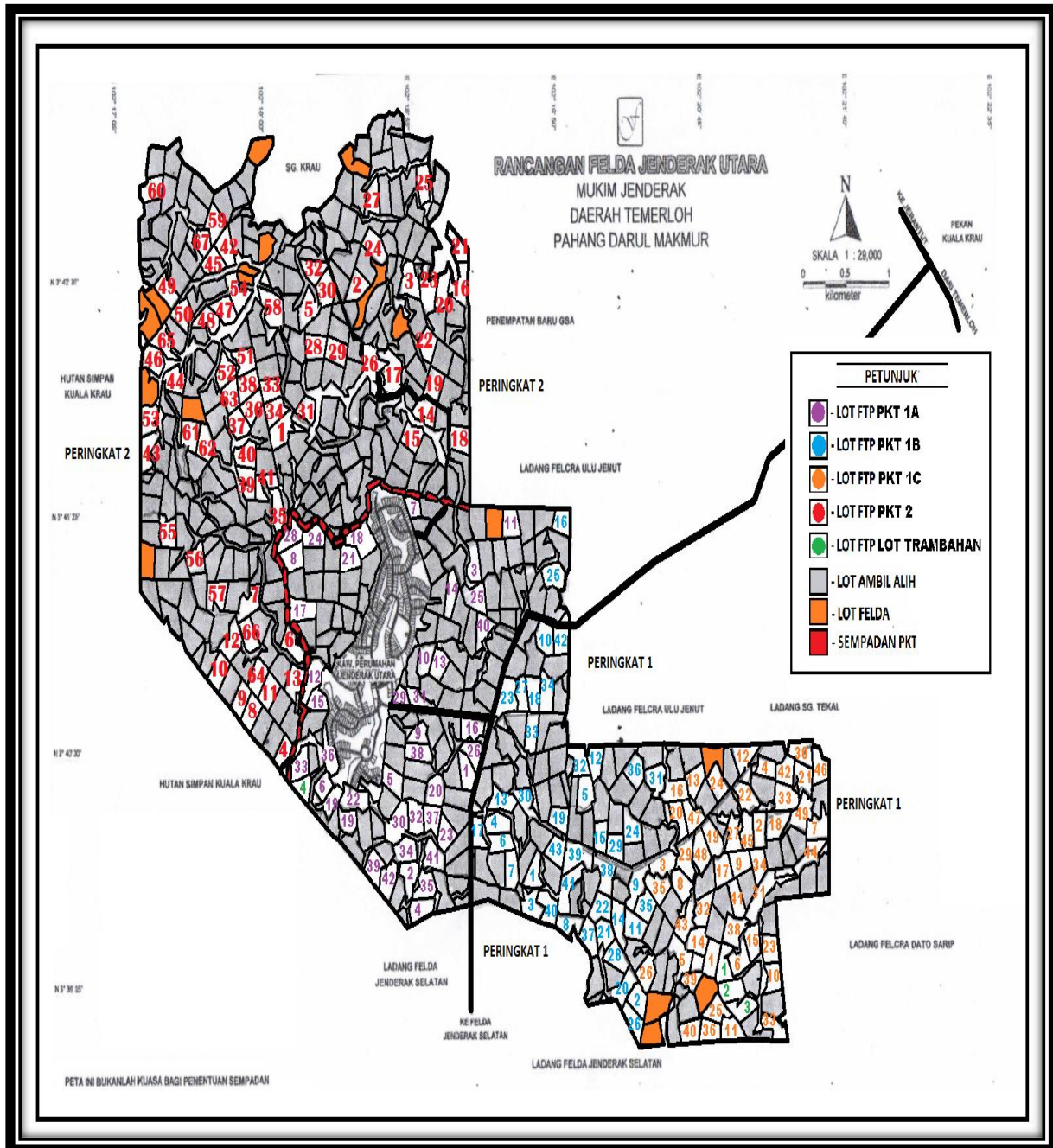
5) Felda Jengka 24 Estate

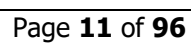


6) Felda Jengka 25 Estate



7) Felda Jenderak Utara Estate





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1.5 Production Area, Actual and Projected FFB Production (MT)

Name of the Certification Unit	Area Summary (HA)		
	Certified Area (per Land Title)	Planted	Mature
Jengka 21 Estate	1,665.16	1,665.16	1,661.16
Jengka 22 Estate	1,164.07	1,159.94	1,159.94
Jengka 23 Estate	1,827.92	1,827.92	1,827.92
Jengka 24 Estate	1,572.72	1,304.49	1,288.45
Jengka 25 Estate	893.61	843.65	799.53
Jenderak Utara Estate	1,825.36	1,825.36	1,825.36
Jenderak Selatan Estate	1,482.88	1,482.88	1,071.81
Total	10,431.72	10,109.40	9,634.17

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Jengka 21 Estate	-	37.49	-
Jengka 22 Estate	-	4.02	-
Jengka 23 Estate	34.56	16.32	-
Jengka 24 Estate	-	50.91	-
Jengka 25 Estate	-	-	-
Jenderak Utara Estate	2.10	-	-
Jenderak Selatan Estate	15.00	-	-
Total	51.66	108.74	-

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit	Actual Production for 12 Months [July 2019-Jun 2020]	Projected Production for next 12 Months [July 2020 - Jun 2021]
Jengka 21 Estate	32,207.00	19,711.71	18,131.00
Jengka 22 Estate	24,226.11	17,316.93	25,656.83
Jengka 23 Estate	32,979.40	38,778.41	36,771.70
Jengka 24 Estate	24,785.31	22,025.80	22,534.00
Jengka 25 Estate	15,273.00	16,839.50	18,177.50
Jenderak Utara Estate	34,474.00	13,371.13	27,059.00
Jenderak Selatan Estate	15,288.21	7,038.21	16,320.00
TOTAL	179,233.03	135,081.69	164,650.03

1.6 Certificate Details

Certification body	Global Gateway Certifications Sdn. Bhd., No. 10 Jalan Rasmi 7, Taman Rasmi Jaya, 68000 Ampang, Selangor Darul Ehsan, Malaysia. Tel.: +603 4256 2689; Fax: +603 4256 2687 Website: www.ggc.my
Assessment standard	(MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders
Certificate number	GGC-FEL002-MSPO-01-2019
Initial certificate issued date	31 st May 2019
Certificate expiry date	30 th May 2024
Stage 1 assessment date	24 th July 2018
Stage 2 / Main Assessment	03 rd September 2018 – 05 th September 2018
Annual Surveillance 1 [ASA 1]	07 th July 2020 – 09 th July 2020
Annual Surveillance 2 [ASA 2]	July 2021
Annual Surveillance 3 [ASA 3]	July 2022
Annual Surveillance 4 [ASA 4]	July 2023

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mohd Fadzli bin Bistamam (P2, P6, P7)

Post graduate qualification in Agricultural Engineering with more than 7 years working experience in Oil Palm Plantation Industry. More than 7 years of working experience in Oil Palm Plantation Industry with skills in Good Agricultural Practices (GAP) and Integrated Pest Management (IPM). Experience in managing estate workers, handling of mineral and peat soil and knowledgeable in chemical control of weeds and Pest & Diseases in Oil Palm Plantation Sector.

Fully trained in similar agriculture certification programs such as RSPO, MSPO and ISCC. Completed and certified in ISO 9001:2015, RSPO Lead Auditor Course, MSPO Training and ISCC Basic Training. Thus, became qualified Lead Auditor for the above programs.

Involved in Oil Palm Sustainability Audit since year 2016. Involved in audits conducted in Malaysia, Indonesia, Papua New Guinea, Ivory Coast, India and Singapore. Able to write and speak in Bahasa Malaysia and English.

Auditor

Name: Surenthiran Panneerselvam (P3, P5)

Graduate in PgDip/MSc Oil and Gas Accounting from University of Abertay Dundee, Scotland, UK. Equipped with experience in sustainability audit field and with more than 6 years working experience. Involved in MSPO Assessment since 2017. Fully trained in audit certification such as MSPO, RSPO, ISO9001:2015, ISO37001: 2016. Member of GGC MSPO audit team. Able to communicate in both Bahasa Malaysia and English (written and spoken).

Auditor

Name: Mahaswaran Maliyapan (P1, P4)

Executive Master in Entrepreneurship Enhancement [Supply Chain Management], Professional Diploma in International Management Practices, Graduate Diploma in Business Administration, and Diploma in Mechanical Engineering. Has vast exposure and experience in engineering, quality, 2nd & 3rd party auditing in various industries and owns proven track records of auditing various multinational companies both locally and internationally.

Certified Lead Auditor for ISO 9001, 14001, OHSAS 18001, RSPO P&C, RSPO SCCS, RSPO Next. Since 2012 trained in agriculture certification programs such as RSPO, MSPO and SCCS and holds role as lead auditor or auditor with several local and overseas certification bodies. He too in Quality Environmental Management System as well the Occupational, Health and Safety auditing. Member of GGC MSPO audit team. He is able to speak and understand Bahasa Malaysia and English.

1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). In the case of this certification unit, sampling calculation was based on total number of estates (7) with low risk factor (1.0). Total estates selected for this audit were three (3) estates namely Jengka 24 Estate, Jengka 21 Estate and Jengka 23 Estate.

The assessment activities include of documents review and site inspection. The documents that had been reviewed among others were company policy, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social were also been verified.

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews of stakeholders, interview of officers, review of documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

Appendix A (Audit Plan) details the actual assessment plan. Stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

1.9 Audit Plan Information

Audit Date	07 th – 09 th July 2020
Name of site(s) visited	Jengka 24 Estate Jengka 21 Estate Jengka 23 Estate
Total number of man-days spent	9 man-days

1.10 Audit Result Summary Findings

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	7	To be closed within 90 days from closing meeting
Minor Nonconformities	7	To be closed during next ASA
Area of Concern	1	No action requires
Noteworthy /Positive Comments	6	No action requires

1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01st August 2017; Stakeholder Consultation Requirements for Certification Bodies Operating Oil Palm Management Certification Under Malaysian Sustainable Palm Oil (MSPO) Certification Scheme. The consultation during the audit will be carried out during the stage 2 and recertification audit of the management unit. The CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints, or disputes prior to the audit.

During this Annual Surveillance Audit (ASA 1) audit, the audit team has conducted stakeholder consultations involving both internal and external stakeholders as to understand the practices in relation to environmental, social performance and their performance with respect to the MSPO requirements. The meeting was conducted without the present of estate management.

At the start of meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the estate management before incorporating into the assessment findings. There was no negative complaint or feedback received during the audit or during the field assessment when interviewing with the external and internal stakeholders. The details are as per table below:

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	All Stakeholders	Most of the stakeholders who attended the meeting are aware about what is MSPO.	Management will continue briefing to all stakeholders on MSPO awareness	Positive findings
2.	Estate workers (Sprayers & Harvesters)	Most of them has knowledge on the existence of a complaints/grievance mechanism. They understand about the minimum salary PPE provided by the company for free. Have awareness on Zero Burning Practice		Positive findings
3.	Neighbouring estate	Has good communication with the estate management. Boundary markers are well discussed and agreed between both parties.		Positive findings
4.	Local communities	Requested to conduct sports event together with local communities surrounding.		Positive findings

1.12 Recommendation

The company has established sustainability policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of Lembaga Kemajuan Tanah Persekutuan (FELDA), Gugusan Jengka 21 [Estates]. All Estate Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The employees are aware of the requirements of MSPO. There was no complaint or feedback received during this Annual Surveillance Audit (ASA 1) Audit.

This report will be internally reviewed prior to certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) is not required. During this Annual Surveillance Audit (ASA1) Audit, based on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 3: General Principles for Oil Palm Plantations and Organized Smallholders), there were no 7 Major NC, 7 Minor NC and 1 AOC raised to the facility that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted of the closure of all Major NC within 90 days. Therefore, the Lead Auditor recommends continuing the certificate of compliance **"MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders"** to Gugusan Felda Jegka 21.

1.13 Date of Next Surveillance Audit

The second annual surveillance assessment (ASA2) visit will be scheduled after 12 months from the date of this audit.

1.14 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan

FFB	Fresh Fruit Bunch
FGS	Finished Good Stock
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating Procedure
SPO	Sludge Palm Oil

SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA**2.1 Principle 1 : Management commitment and responsibility****Criterion 1 Malaysian Sustainable Palm Oil (MSPO) Policy****Indicator 1** A policy for the implementation of MSPO shall be established.**Summary**

Aside of Felda's "Polisi Pengeluaran Minyak Sawit Lestari Dalam Kumpulan Felda" dated on 01/11/17, there are also 17 policies seen displayed at sampled estate offices that were signed by the previous Managing Director YBhg. Dato Dr. Othman bin Hj. Omar. However, during audit date, the new Managing Director is Datuk Seri Idris Jusoh who took charge office since 01/05/2020. There are no changes made on the policies which containing Environment, OHS and other sustainability schemes with commitment towards No Child Labour, No Deforestation, No Forced Labour & Contract Substitution, banned on paraquat, human rights etc.

In Felda Jengka 24, there are has 292 settlers and no foreign workers employed. As at 05/07/2020 there are 8 staff and 3 clerical clerks in this estate. The estate management seen maintaining records on communication of sustainability policies to individual block settler's representative on 11/01/2020. Online training has been conducted in Jengka 21 Estate. Verified the a "Online Training – Monthly JKKR" conducted on 27/04/2020 that was attended by block representative, estate staff and GPW committee members. Sighted item 1.10 and 1.11 in regards to briefing MSPO policies. As for the FTP workers, sighted training matrix and date of training conducted.

NC (Minor): Aside of Felda's "Polisi Pengeluaran Minyak Sawit Lestari Dalam Kumpulan Felda" dated on 01/11/17, there are also 17 policies seen displayed at sampled estate offices and training records evidenced for FTP workers. However, in Jengka 21 interview with field workers found they are not aware on MSPO policies and complaint & grievance mechanism. In Jengka 24, found no records of policies been communicated to external contractors who are contracted to do harvesting, pruning, spraying and manuring. In Jengka 23, the estate staff communicate MSPO policies during roll call but training records of whom attended and trainer's details.

In Compliance ☐ Yes ☒ No ☐ Not Applicable

Indicator 2 The policy shall also emphasize commitment to continual improvement.**Summary**

The sampled estates seen associated the content of Sustainability Policies into daily routine work. Example, The MSPO policy has emphasized commitment to continual improvement which stated the management of sampled estates are committed to provide adequate resources towards the sustainability of their palm oil business by implementing MSPO system and the continuous improvement on sustainable development.

In Compliance ☒ Yes ☐ No ☐ Not Applicable

Criterion 2	Internal audit
Indicator 1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.
Summary	Sighted the SOP titled "Prosedur Audit Dalam" SOP/JPLDG/PAD/1; has no changes from the rev: 0; dated 01/11/17. As per the internal SOP, the audit frequency stated is either annually or as and when required or based on risk factors. All the internal audits were conducted by Pn. Ros Haslinda from Pejabat Wilayah. There were 58 findings from internal audit in Felda Jengka 24 Estate, 75 Findings from Jengka 21 Estate and 81 findings from Jengka 23 Estate.
	In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Indicator 2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.
Summary	Sighted the SOP titled "Prosedur Audit Dalam" SOP/JPLDG/PAD/1; has no changes from the rev: 0; dated 01/11/17. <i>NC (Major): The annual audit for sampled estates was done by Pn. Ros Haslinda from Regional Office and sighted more findings from Principle 4 and 5. As at audit date, sampled estates have insufficient documents to demonstrate whether the internal audit findings are closed or remain open. This is against the procedure SOP/JPLDG/PAD/1, clause 6.5.3, 6.5.4, 6.6 and 6.7.</i>
	In Compliance <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Applicable
Indicator 3	Report shall be made available to the management for their review.
Summary	Since the management review "Mesyuarat Jawatankuasa Pandu Minyak Sawit Mapan bagi Felda Jengka 21" was held on 01/07/2020 and internal audits were discussed. <i>NC (Minor): Annual Internal audit was done as per planned and the finding summary was submitted by auditor to sampled estates. However, Jengka 23 and Jengka 24 has not evaluated and review of the internal audit findings.</i>
	In Compliance <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Applicable
Criterion 3	Management review
Indicator 1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.
Summary	Management review "Mesyuarat Jawatankuasa Pandu Minyak Sawit Mapan bagi Felda Jengka 21" done on 01/07/2020 attended by staff and managers of Felda and FTP. Aside of refreshing on MSPO requirements, the preparedness for MSPO was reviewed.

NC (Major): There is no management review process or Mesyuarat Jawatankuasa Pandu Minyak Sawit Mapan bagi Wilayah Felda Jengka 21 done for Jengka 23 and Jengka 24 since 2018.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Criterion 4	Continual improvement
Indicator 1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.

Summary In Jengka 21 Estate, tsghted the "Penambahbaikan Berterusan Alam Sekitar, Social, Penghasilan" that established since 2018. Among the on-going programs are planting beneficial plants for pesticide reduction and proper disposal of used pesticide containers as to comply to legal requirement.

NC(Minor): During field, line -site and storage visits, the sampled estates has continuous improvements either done or in-progress. Such as building new chemical store, planting of beneficial plants, EFB applications and etc. However, it was observed, the CIP available in sampled estates are same as in 2018, however it is not clear on how the monitoring was done in 2018 and the reasons for carry forward the CIP to calendar year 2019/2020.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Indicator 2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption
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Summary The sample estates have no new technology nor new information in regard to improve the estate's operation activities. The Minimum Wage Order 2018 and continuous information from MPOB in regard to GAP are maintained.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.
--------------------	---

Summary The sample estates have no new technology nor new information in regard to improve the estate's operation activities. The Minimum Wage Order 2018 and continuous informations from MPOB in regards to GAP are maintained.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.2 Principle 2 : Transparency

Criterion 1 Transparency of information and documents relevant to MSPO requirements

Indicator 1 The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.

Summary FELDA has established "Prosedur Komunikasi"; Doc No: SOP/JPLDG/PK/1; Rev 1/; Date: 01st November 2017.

The purpose of this procedure is to create an efficient system of communication between the estate management and internal / external parties related to:

- Quality requirement
- Environmental Aspects & Impacts
- Hazard & Risks
- Social aspects at workplace
- Current achievements

In Felda Jengka 21, sighted record of request and response in form "Rekod Permohonan dan Maklum Balas". There are total of 6 requests for documents made in year 2020. Latest request was made on 04.03.2020 for FFB Delivery Receipt. The request has been fulfilled by the Management.

In Felda Jengka 23, record of request and response is well documented by the Management. All the requests are about "Khairat Kematian" which their requests have been submitted to Pejabat Wilayah and HQ for further process. The person in-charge of this request is Pn. Nurhayati Binti Majid.

In Compliance ☒ Yes ☐ No ☐ Not Applicable

Indicator 2 Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

Summary FELDA has established "Prosedur Komunikasi"; Doc No: SOP/JPLDG/PK/1; Rev 1/; Date: 01st November 2017. Stated management must provide adequate information to other stakeholders on environmental, social and legal issue.

All these (19) documents were sighted in the estate office. Requests for official documents through the estate office will have to go through the estate manager/assistant in charge, whom will make the decision as to whether the information can be shared to or viewed by the person requesting the information or document. Example documents such as:

1. Surat Pekeliling Dalaman dan Memo
2. Management Review Meeting Minute
3. OSH Minute Meeting
4. Land title / Land use right
5. Pollution Prevention Plan

6. HCV Report
7. Human Rights Policy

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 2	Transparent method of communication and consultation
Indicator 1	Procedures shall be established for consultation and communication with the relevant stakeholders.

Summary FELDA has established "Prosedur Komunikasi"; Doc No: SOP/JPLDG/PK/1; Rev 1/; Date: 01st November 2017.

Stated management must provide adequate information to other stakeholders on environmental, social and legal issue. Communication with the estate stakeholders was conducted on 18.02.2020 as per minute meeting "Mesyuarat JKKR Felda Jenka 24".

The management has also participated in organizing stakeholder meeting organized by Felda Wilayah Jenka, Kota Gelanggi and Kompleks Lepar Utara on 31.07.2018. The meeting was attended by 227 stakeholders from Government Bodies, Contractors and other surrounding stakeholders / villagers.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.
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Summary The person in charge for communication & consultation agenda in Jenka 21 Estate is En. Mohd Nazarudin Bin Deraman. Sighted appointment letter dated 06.01.2020 (Ref: J21/MSPO/02/2020). As per written in the letter, he is responsible for things such as:

- i. To communicate with HQ, Government Bodies, Local Authorities
- ii. To communicate with customer / stakeholders and plan for actions to be taken
- iii. To communicate with estate staff and workers regarding quality, environment and OSH

In Jenka 23 Estate, the person in charge for communication & consultation agenda is En. Mohd Shafeeq Ardy Bin Kamaruddin. Sighted appointment letter dated 10.10.2019 (Perlantikan Sebagai Pegawai Komunikasi dan Rundingan).

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.
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Summary In Jenka 24 Estate, sighted latest stakeholders list updated on 29.06.2020 by En. Mohd Afif Bin Razali (Penyelaras). Example listed in this document such as:

- i. Estate Managers (Felda Jenka 25, 21, 22, 23, 13)
- ii. Sekolah Menengah Kebangsaan Felda Jenka 24
- iii. Sekolah Kebangsaan Felda Jenka 24
- iv. GPW Felda Jenka 24

- v. Klinik Kesihatan (F) Jengka 24
- vi. Masjid Assobirin (F) Jengka 24
- vii. Koperasi Felda Jengka 24
- viii. IPD Jerantut
- ix. Balai Bomba dan Penyelamat Jengka
- x. MPOB Temerloh

The other estates audited have also updated their list of stakeholders. The latest stakeholder list in Felda Jengka 23 Estate was updated on 25.02.2020 as sighted during the audit.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3	Traceability
Indicator 1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).

Summary The company has established Manual Ladang Sawit Lestari; Doc No: MLSL (Ed.2) – Sec 4 (8.0); Date 01st Jun 2012. Mengangkut BTS ke Kilang.

Upon completion of FFB Grading, the FFB will be loaded and transported to mill by the Appointed Contractor. The driver will compile all the "Sijil Mutu BTS" and presented to Security Guard at Guard Post in order to obtain the "Nota Hantaran BTS" as per Manual Ladang Sawit Lestari; Doc No: MLSL (Ed.2) – Sec 4 (8.0); Date 01st Jun 2012, Page 8 of 9 for every trip transported. FFB from the estate is sent directly to FGV Kilang Sawit Jengka 21.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2	The management shall conduct regular inspections on compliance with the established traceability system.
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Summary The Internal Audit team has conducted inspections on compliance with the traceability system as seen in the Internal Audit Findings. Latest internal audit for Jengka 24 Estate was conducted on 02.07.2020 by Pn. Roshaslinda Binti Hashim from Pejabat Wilayah Jengka.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3	The management should identify and assign suitable employees to implement and maintain the traceability system.
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Summary All estate managements have appointed an officer to be responsible in implementation of the traceability system. Example sighted in Jengka 24 Estate, the person in charge for maintain the traceability system agenda is Estate Supervisor, En. Mohd Faizal Bin Baki. He has been appointed as per letter dated 01.01.2020 (Ref: (02)MSPO/02/2018/4.2.3.3).

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 4 Records of sales, delivery or transportation of FFB shall be maintained.

Summary All Estates are selling their FFB to Jengka 21 POM, FELDA Palm Industries Sdn Bhd own mill.

Sighted, in the "Surat Akuan Penerimaan BTS" the seller name, MPOB License No, delivery note number, lorry number, OER percentage awarded, price per ton awarded, FFB penalty and Total selling price of the FFB. Payment will be based on the Mill Summary Report of "Penerimaan BTS Mengikut Rancangan" and prepared in the "Sijil Bayaran Tuai/Angkut BTS". Example:

Nota Hantaran BTS

Bil. No: 12385

Date: 12.04.2020

Project: Jengka 24

Project Code: 9210

Peringkat: 004

Blok: 03

Weighbridge ticket

No. Pass: A00014250

Date: 26.04.2020

Seller: Felda Jengka 24

Weight: 7.41 MT

Monthly record sighted as per document "Rumusan Laporan Bulanan Pertanian Bulan Jun 2020". For June 2020, the estate recorded a total of 2,295.77 MT of FFB delivery to the mill.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

2.3 Principle 3 : Compliance to legal requirements

Criterion 1 Regulatory requirements

Indicator 1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.

Summary The company has established and updated list of applicable laws and regulations. Sighted list of "Daftar Perundangan dan Lain-lain Keperluan"; ML-1A/L5-AP1- AP32; Pind 0. The list fully covers the requirements that related to MSPO compliance. These documents include information on laws, enforcement bodies, main requirement, environmental aspect, standard, fine, person in charge, and compliance status.

There are permits/licenses to be monitored and updated periodically such as permits/licenses for MPOB license, diesel, charge man certificate, fire hydrant, and etc. The legal register is prepared by En. Mohd Afif Bin Razali, Penyelia MSPO and approved

by En. Mohd Tamrin Bin Zakaria, Estate Manager, last updated on 1st July 2020. The permits and licenses sampled in Jengka 24 such as:

- MPOB: License No.: 500926202000 – Menjual and mengalih FFB, valid from 1st April 2020 till 31st March 2021 [1,362.41Ha] – Felda Jengka 24, Mukim Burau, 26400, Jerantut, Pahang.
- Vehicle number - WSS9047 [No siri: 7818758] – Toyota Hilux
- Permit Potongan JTK – 1st April 2020 till 31st March 2021.
- Fire extinguisher [No. 1 - 3] – Office; valid till 9th December 2020.
- Fire extinguisher [No. 4] – Fertilizer store; valid till 9th December 2020.
- Fire extinguisher [No. 5] – Chemical store; valid till 9th December 2020.

NC (Minor): During the audit verification, found out that the salary of workers is deducted with "caj bil air, bil elektrik dan subsidi perubatan". Sighted Permit Potongan JTK – valid from 9th October 2015. [Ruj: (36) dlm BHG.PU/9/129 Jld 20 – "Potongan Upah di bawah Seksyen 24 Akta Kerja 1955 – Potongan bagi lebihan limit subsidi perubatan dan premium insurans luar negara tenaga kerja Indonesia". However, there is no permit made available for the deduction to be made for other foreign workers (India, Bangladesh) and local staff.

As per interview with the HQ representative, a meeting between JTK Officer in Putrajaya and FELDA HQ was held last year. The JTK Officer has verbally agreed that the permit which was issued back in 2015 can still be used for the salary deduction of other foreign workers. However, during the audit there was not evident or letter to support this claim.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Indicator 2 The management shall list all laws applicable to their operations in a legal requirement register.

Summary The list is fully covered the requirements that related to MSPO compliance. These documents include information on laws, enforcement bodies, main requirement, environmental aspect, standard, fine, person in charge, and compliance status. There are laws and regulations identified in the legal register. Some of applicable laws sighted includes:

- Environmental Quality Act 1974
- Workers' Minimum Standards of Housing and Amenities Act 1990
- Occupational Safety and Health Act 1994
- Wildlife Conservation Enactment, 1997
- Pesticides Act 1974 (Act 149)
- Factories and Machinery Act, 1967
- MPOB (Quality) Regulations, 2005
- MPOB (Licensing) Regulations, 2005
- Fire Service Act, 1984
- Road Transport Act 1987 (Act 333)
- Employees Social Security Act and Regulations (Act 4)
- Industrial Relations Act and Regulations (Act 177)
- Employees Provident Fund Act 1991

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.

Summary Updated list of applicable laws and regulations that are applicable for FELDA Jengka 24. Estate management established Register of Legal and Other Requirements [No. Borang: ML-1A/L5-AP1 Pind 0], was last updated on 8th January 2018. Any changes to legal requirements are tracked by means of periodic review and evaluation on the Laws & regulations list to ensure that any new/addition as well as changes and amendment are captured and update, through the following manner:

- Enquiring the laws books publisher
- Communication with law/enforcement officers
- Website

As per interview with all person in charge, all of them will update any new amendments or any regulations once received.

NC (Minor): FELDA established the list of applicable laws and regulations that are applicable. The list "Register of Legal and Other Requirements" [No. Borang: ML-1A/L5-AP1 Pind 0]. However, the legal requirements register was last updated on 8th January 2018, and new laws and regulations was not included into the list of laws. As per the "Sistem Semakan Perubahan Undang-Undang [Dok: Panduan, dated 23rd June 2015 (Pindaan 4) stated – Semakan Senarai Undang-Undang setiap 6 bulan oleh pegawai yang dilantik di Rancangan FELDA/Kilang/Plantations.

In Compliance ☐ **Yes** ☒ **No** ☐ **Not Applicable**

Indicator 4 The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.

Summary All estates maintain copy of relevant laws and legislation pertaining to the plantation operation as per listed. Legal Departments of FELDA (located at HQ) will be responsible in monitoring compliance and track any changes in regulatory requirements for all certification units.

Felda Jengka 24 management has appointed En. Sayazan Amer Khan Bin Md Khalid as person responsible to monitor compliance and to tract and update the changes in regulatory requirements. Sighted appointment letter dated 1st January 2020 [Ref/Bil: (01)MSPO/03/2018/4.3.1.4, signed by En. Mohd Tamrin Bin Zakaria. Felda Jengka 21 management has appointed En Wal Jaming Bin Khalim [BI: RA1/SPO/06/2018]; dated 10th January 2018, approved by En. Zaini Bin Jamsari (Estate Manager).

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 2 Land use rights	
Indicator 1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.
Summary	<p>All the estates visited have a valid land title indicating correct land title terms which specifies the purpose of the planting of the oil in the respective land. Based on sampling, the Land title (ROH) for all settlers is available and maintained in their personal file. In Felda Jengka 24, consist of 292 settlers with 5 divisions (peringkat)/ blocks in separation. In Felda Jengka 21, consist of 418 settlers with 1 division (peringkat) and 18 blocks in separation.</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.
Summary	<p>All estates have demonstrated legal ownership of their land by having legal land titles to the land. The copy of land titles are kept in the estates office and were sighted during the audit. Evidence of annual payment of land cess and quit rent the state government is available in the form of receipts.</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.
Summary	<p>All estates have boundary map and estate map. Estates in progress to complete all the missing boundary markers. Estate management established "Rekod Pemantauan Batu Sempadan". As to date, 6 boundary markers was found and demarcated. Photographs of boundary marker was made available. Maps clearly showing the estate boundary were also sighted in the estate office.</p> <p>During field visit, auditors also check a few physical boundary stone and verify it with company's GPS coordinate and GGC own GPS coordinate. The coordinate checked by GGC unit are matched to the data that prepared by staff of both estates. Sighted also the Boundary Markers Monitoring Checklist done by estate management.</p> <p>In Jengka 23 Estate, the management established "Rekod Pemantauan Batu Sempadan – Felda Jengka 23". As to date, 4 boundary markers was found and demarcated. Photographs of boundary marker was made available. Maps clearly showing the estate boundary were also sighted in the estate office.</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).

Summary No disputes have been recorded in estate area. There is no evidence of conflict present in this estate. There is no violence in instigated violence in maintaining peace because company has a clear procedure for land conflict.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 3 Customary rights

Indicator 1 Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.

Summary There is no customary land in or surrounding all the estates. There are also no land disputes or claims involving these estates. The company has proper legal land tile for the land ownership.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 Maps of an appropriate scale showing extent of recognized customary rights shall be made available.

Summary No customary land in or surrounding all the estates. There are also no land disputes or claims involving these estates. The company has proper legal land tile for the land ownership. Thus, no maps for recognized customary rights is available.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.

Summary There is no customary land in or surrounding all the estates. There are also no land disputes or claims involving these estates. The company has proper legal land tile for the land ownership. The company has established SOP to identified process for acquiring land and disputes. SOP Prosedur Pengenalpastian dan Penyelesaian Pertikaian Tanah, Doc. No: SOP/JPLDG/PPDPPT/1, Rev. NO: 1 dated 1st November 2017.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.4 Principle 4 : Social responsibility, health, safety and employment condition

Criterion 1 Social impact assessment (SIA)

Indicator 1 Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.

Summary FELDA has established Prosedur Penilaian Impak Sosial; Doc No: SOP/JPLDG/PPIS/01: Rev 1: Date 01st November 2017. Sighted the SIA reports focus on live hoods that associated to the improvements of social wellbeing of the wider community.

The frequency for the assessment is in 2 years. The time frame to evaluate the impact assessment categorized into emergency (< 6 months), short term (< 1 year), mid-term (< 1 – 2 years) and long term (< 2 years).

The SIA in Jengka 24 Estate was done on 23/07/18 by Ahmad Sharir bin Ismail, who is the member of Felde's Sustainability Team. The stakeholder sampling consisted of settlers x 12, contractor x 1, foreigners x 7 and other are local communities and estate staff. Based on the assessment there were 3 positive and 2 negative impacts found. In Jengka 21 Estate, there were 8 positive and 4 negative impacts registered. The assessment outline of the objectives that for identifying the existing social issues, to develop social management plan and etc. The estate has a replanting programme going-on.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 2	Complaints and grievances
Indicator 1	A system for dealing with complaints and grievances shall be established and documented.

Summary Procedures for handling social issues and the flow starts with issue arise → case taken by unit management → initial negotiation → resolved → (if yes) case solved, if no then report to Regional HQ → information gathering and investigation process → present finding to the estate management → action taken → negotiation or legal proceedings → resolved → case solved.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.
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Summary The procedure, SOP/JPLDG/PPIS has outlined the context of request & response, consultation & communication, and complaint & grievance. There are evidences available that the SOP been communicated through training programs.

Sighted in Jengka 23 Estate the "Borang Maklumbalas Aduan Peneroka" sampled 4 forms that settlers seeking respond from FTP in regard to spraying intervals, the cost for pruning per hectare, upkeep near boundaries among settlers and shortage of manpower for harvesting. Sighted the form adequately filled of responded time and actions taken. Based on the logbook and complaint form available in Jengka 21 Estate, no disputes or negotiation happened between the stakeholders and estate management.

NC (Major): The estate (Jengka 24) has no workers (local and foreigners) under their payroll. Since from the previous audit assessment there were 2 complaints and/or grievances registered. The first was dated on 16/06/2020 at which a settler requesting to install fencing within his land area. The 2nd was recorded on 30/06/2020 on a land dispute @ 2413. As per interviewed statement with Estate Manager, the estate management has resolved the issue between the 2 affected parties. However,

documents such as minutes of meeting was not available to ensure that the resolution was accepted by complainant or parties with grievances.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Indicator 3 A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.

Summary Either internal or external stakeholders, they can register the complaints in a logbook provided or in written form either by email or letter. Since the estate has no workers under their payroll, therefore no complaints recorded since 2018. As for external stakeholders, the estate has not received any.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.

Summary A meeting minute dated on 13/03/2020 was sighted with AJK Koperasi Peneroka Felda Jengka 24 (JKKP) and another minute of meeting dated 01/01/2020 (JKKR) seen with inputs of MSPO requirements briefed. During annual stakeholder meeting in Jengka 21 Estate, or during other briefing sessions, the estate and FTP managers provides explanation on complaint mechanism.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 5 Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.

Summary Aside, the logbook to add of the responded time which allows to calculate whether the action taken within agreed time as per in SOP/JPLDG/PK/1, clause 6.2.3 mentioned 2 weeks maximum to respond to requester and additional another week if the investigation of the complaint resolved.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 3 Commitment to contribute to local sustainable development

Indicator 1 Growers should contribute to local development in consultation with the local communities.

Summary Felda HQ or the regional office is the responsible department to access and grant contribution that above the amount of estate manager's capacity to approve. Generally, the local communities request for assistants through means of meeting, such as Friday prayers which normally not recorded by certificate holders. Most of the vouchers seen for school activities through Parents and Teachers Association. Other mode of contributions are religious celebrations that the nearby stakeholders are invited, annual family functions for estate workers and staff and etc.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 4 Employees safety and health

Indicator 1 An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.

Summary Sighted Dasar Keselamatan Dan Kesehatan Pekerjaan on 4th January 2016 (FTP) which was approved by Mr. Md Salleh bin Awang (Ketua Pegawai Eksekutif FTP). The policy is written in Bahasa Malaysia that can be easily understood by all levels of its employees. This policy is displayed in all the offices and on notice boards. This policy being adhered to with regards to the implementation of (OSH) requirements within the company.

In order to achieve safe working environment, estate management has providing training and socialization to settlers, block's representative and contractor's workers which aims to maintain good occupational health and safety.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 The occupational safety and health plan shall cover the following:

- a) A safety and health policy, which is communicated and implemented.
- b) The risks of all operations shall be assessed and documented.
- c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:
 - i) all employees involved shall be adequately trained on safe working practices; and
 - ii) all precautions attached to products shall be properly observed and applied.
- d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).
- e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
- f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.
- g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meetings are kept and the concerns of the employees and any remedial actions taken are recorded.
- h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.
- i) Employees trained in First Aid should be present at all field operations. A First Aid

Kit equipped with approved contents should be available at each worksite.
j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.

Summary

The management of Jengka 24 Estate is displaying the sustainability policies that includes of OSH policy at the entrance of Estate Office. Example, training on First Aid to Estate Assistants, settlers and block's representative on 16/09/19.

The estate has carried out HIRARC for estate operations such as administration, receiving and refill diesel, FFB harvesting and manuring. The HIRARC was prepared by Mohd. Afif bin Razali (MSPO Coordinator) and approved by Mohd. Tamrin (Estate Manager) on 02/12/18.

Chemical Health Risk Assessment Report is available at all the estates audited. In Jengka 24 Estate, CHRA assessment was conducted for the entire registered chemical hazardous to health on 14/12/15 and the report of assessment was completed on 05/01/16, that valid for 5 years. Since the operational activities are outsourced, therefore the estate has no storage of pesticides and chemical. During site visit, observed 3 fertilizer stores with proper signages and arrangements.

The management of Jengka 21 Estate is maintaining list of PPE issuance and inventory (logbook) for available PPEs. Sampled, the PPE issuance list for workers, sprayers and harvesters. Found the list well managed and cross verified with Harvesting worker, the PPEs are given free of charge. During field visit, seen workers were wearing appropriate PPEs.

The company has established "Manual Keselamatan dan Kesihatan Pekerjaan" MKKP (Ed.2) 25.0 dated on 01/01/19 for handling of chemical. Jengka 24 estate is also maintaining a list of chemicals (total 3) hazardous to health as required by DOSH. According to the SOP for chemical handling, the authorized personal to handle chemicals are store clerk and field supervisors.

OSH Committee has been established in all the estates audited. Sighted the OSH committee and ERP committee charts available in the meeting room. Example, seen the emergency response plan for chemical, FFB loading, driving and general workers. Since the sampled estates has not more than 40 workers, therefore an OSH committee and quarterly meeting not required. However, the estate management has is voluntarily carried out safety and health committee.

Training for first aider in Jengka 21 and Jengka 23 Estates are planned to be on 16/07/2020 as most of the trainings in 1st quarter been postponed to 3rd and 4th quarter due to Covid 19 Pandemic.

NC (Major):

Jengka 24:

(j). Based on the records verified, there was no accident happened since 2018 and therefore JKPP 6 was not required to submit to DOSH. However, it was observed, the JKPP 8 was not submitted to DOSH for calendar year 2019 as required by Safety and Health Reg. 10 (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004 [NADOPOD].

(e). The estate has outsourced their plantation activities such as manuring, spraying, pruning and harvesting to Koperasi Peneroka Felda Jengka 24 and sighted the relevant SPK. The Koperasi Peneroka Felda Jengka 24 has tendered the jobs to a 3rd party contractor who supplies manpower, working tools, PPE, and etc. Interviewed Sustainability Officer reveals Medical Surveillance for the contract workers who exposed to hazardous chemicals was not done.

Jengka 23:

(e). Medical surveillance for 2020 is planned before Sept'2020 and sighted a letter from Klinik Sulaiman acknowledging the application from estate. The last medical surveillance was in 2018 and in 2019 it was not carried out that against recommendation stipulated in CHRA (Clause 9.0).1

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Criterion 5	Employment conditions
Indicator 1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.

Summary

Sighted the Social and Humanity Management Policies, such as "Hak Asasi Manusia, Kod Etika Kerja dan Integriti, Hak Kebebasan Bersuara dan Menganggotai Kesatuan, Gangguan Seksual, Keganasan serta Hak Kebebasan Reproduksi, Pengurusan Pekerja Asing, Larangan Buruh Kanak-Kanak and etc. The policies stating the company will protect the sense of humanity while ensuring that they are socially beneficial and do not infringe on basic human rights.

The total number of estate workers in Jengka 23 Estate is 31 workers as at 30/06/2020 (Malaysian x 8, India x 9, Indonesia x 12, Bangladesh x 2). As per interview with FTP manager, the workers being given briefing during roll call and as at audit date, there is no any case reported on social violence among workers. There are various training records available to demonstrate the estate workers were briefed on Sustainability Policies such as Human Right Policy.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.
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Summary

Based on the interview on site, sighted that the estate staff are not discriminated in any means. The Sustainability Policies indicates "all the employees should be treated fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.

Summary Samples of monthly salary slips verified for workers who were interviewed during field visit. All receiving their monthly wages as per Minimum Wage Order Amendment 2018 [RM 1100.00] effective from 01/01/2019. Then payment of Socso for foreign workers started since Jan 2019. Felda HQ will do the payment for estate worker's EPF and Socso and to bill accordingly to estate. Interviewed with Chief Clerk (Jengka 21 Estate), found the estate track the payment via "Acknowledgement Contribution Received".

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.

Summary The management of Jengka 24 estate has signed SPK "Surat Perintah Kerja" with Koperasi Peneroka Felda Jengka 24 and another agreement was done between the Koperasi Peneroka Felda Jengka 24 and contractor for estate operational activities. Verified, the contractor established a work "Contract" between his workers. The estate Field Supervisor is monitoring the worker's salary on monthly basis. Sampled for May'2020, all the 10 workers under the contractor Mega Lux Trading exceeding RM 1700.00.

In Jengka 21 Estate, the estate is engaging FFB transportation services from estate to mill. Sampled the SPK for "Koperasi Serbaguna Felda Jengka 21 Bhd" for period 01/11/2019 to 31/10/2020. The contractor and his workers are local and the contractor receives payment timely.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 5 The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.

Summary All the estates have already established records of their staff and employees currently working in the estate. Based on the list of workers sighted in Jengka 24 estate, it was verified that the workers are more than 18 years old (youngest, born in 1998). The worker's database stating such as the offered position, employment agency's name, personal details, passport details, employed date etc. Sighted the volunteer passport surrendering acknowledgement by all foreign workers.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 6 All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.

Summary The contract agreement between "Lembaga Kemajuan Tanah Persekutuan – FELDA and foreign workers sighted in Jengka 21 estate. The appendix clearly stating of the location to work (in any plantation owned by FELDA), contract period, working hours, holidays, levy, payment terms, passport retention and etc. Sampled the employment contract as below:

- Alok Ghosh (India) dated 17/03/2013 and contract is valid for 3 years and thereafter to renew contract annual to maximum 5 years.
- Hamdan (Indonesia) dated 06/05/2011 and Mintu Biswas (Indonesian) dated 24/10/2012, the contract validity is 2 years and renewal can be up to 10 years.

As for the contract workers in Jengka 24 Estate, sampled Mega Lux Contractor's workers been given an employment letter "Surat Tawaran Pekerjaan" stating information such as duration of work, pay and allowances, deduction of Socso and KWSP and details of leaves.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 7 The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.

Summary The estate emphasis a record book for the Mandore to record the worker's working hours. The overtime wages not stated in the payslip but the details calculation able to access in "Daily Checkroll" worksheet.
Working hours seen display at muster ground area. Verified the check-roll for Jun – July 2020 that act as worker's attendance registered.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 8 The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.

Summary The working hours for field workers are from 0630am – 3.30pm. The 1st break will be 10.30am – 11.00am and lunch will be taken once they are back home. Based on the payslip verification, it reveals no workers been discriminated on overtime wages. The details of overtime noted in the check roll. Interview with field workers found they are aware on the normal working hours and overtime period.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 9 Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.

Summary In Jengka 21 Estate, there are 11 Indonesians and 14 Indian nationalities. Deduction is done for KWSP, Socso, allowances is paid for motorbikes, housing and etc. Based on the pay slip verified for 1 local staff and 3 foreign workers (1 India + 2 Indonesian). The foreign workers are under "Piece Rated" therefore overtime calculation not applicable. The auditor has verified the daily checkroll for detail wages calculation during the audit.

Sampled worker's monthly salary slips working in Jengka 23 Estate, Mosharaf Hossain (General Worker) #B15907423, no OT performed in Feb 2020 and received pay was RM 1498.36. Another sample was Sekh Amir (Harvester) #FD15918457, recorded OT of 7.94 hours in Sept'19 and gross pay received was RM 2423.14.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 10 Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.

Summary Based on the interview with the management of Felda Jengka 24, the staff are given medical facilities up to RM 400.00 for family and single RM 200.00, allowance for housing RM 150.00, miscellanies RM 120.00 and Cola RM 100.00.

The company also provides Socso for the foreign workers, price bonus from working in holidays and weekend, free water and electric supply if below subsidizes amount (electric RM 6 and water RM 4) (to the housing area, medical for the workers [include medical examination or medical assistant made by the company.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 11 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.

Summary The estate (Jengka 24 Estate) has 24 foreign workers who are staying in worker's quarters provided by estate. The available facilities are community hall, religious school, mosque, Hindu temple, primary & secondary schools, recreational park and etc. Site visit to worker's quarters (Indonesian, India) found the basic amenities such as worship places, clean water, football field and etc. being provided by the management.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 12 The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.

Summary Sighted the GPW meeting minutes dated 104/02/2020 attended by 20 committee members in Jengka 21 Estate. No sexual harassment reported. Among the topics discussed were policy on sexual harassment, beatification and landscaping and etc. Interview with GPW chairwoman at office, found the estate management encourage the female workers participate in the gender activities and no domestic violence

happen or reported. Sighted the Gender Meeting minutes dated on 06/02/2020 conducted by the committee in Jengka 23 estate.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 13 The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.

Summary The estate management encourage their workers to exercise their freedom to voice out any discriminations. Those who are not wish to join Union, the are allow to join "Jawatankuasa Kebajikan Pekerja", sighted the meeting minutes dated on 10/02/2020 and among the issues discussed were worker's quarters, monthly wages, hygiene factors and etc.
Interview with field workers (manuring and sprayers) reveals they are freedom to join the Union. Aside, the have no restriction in keeping their passports.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 14 Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.

Summary The "Child Protection" policy seen dated on 01/07/19. The policy clearly indicates of no hiring of child labour nor discrimination against them.
As for the contractor's workers the estate monitors the identification number and field observation. No evidence of child worker sighted during field visit in sampled estates. Counter verification on worker's database also resulted with no child employment.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 6 Training and competency

Indicator 1 All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.

Summary The management of Jengka 24 Estate has established an annual training plan for 2019/2020 that consisting of awareness on OSH and environment. Example of trainings are chemical safety management, incident reporting, water quality monitoring and etc. There are no smallholders associated to this estate. As for the contractors, it is based on the work or service required. Sampled a training / briefing record dated on 20/06/19 to EL Regena Enterprise who been appointed to upgrade of worker's quarters.

Training records also sighted in Jengka 23 Estate for manuring & spraying training conducted by Field Supervisor dated on 06/01/2020 attended by 7 workers. Training on PPE usage was done on 18/02/2020 attended by 4 general workers.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.

Summary The training needs are normally based on the needs by workers, legal requirement or new recruitment. Example, for OSH a basic training needed for new employee, PPE training is being internalized as part of work and regular awareness trainings are provided.

The training needs also needed when there is any change in work environment where the workers may be exposed to new or increased risks. As per interview with assistant estate manager, determining the training gap between work assigned and the worker's competency is also terms as training needs. Sighted "Penilaian Keperluan Latihan" applicable for 10 job designations and 1 for contractor.

AOC: According to FTP manager, on job trainings for workers are given as and when appropriate and awareness trainings are according to annual OSH program. However, for Felda, there is no formal training needs identified for settlers. During field visit, the audit team observed Sg. Jengka is passing next to a self-managing (Urus Sendiri) settler's land and spraying was sighted in-process distanced from river. The audit team did not observe any evidence of over spraying or spraying at buffer zone. Felda management to have a training need in order to ensure the policies are implemented effectively.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.

Summary The estate (Jengka 24) has established an annual training plan for 2019 that consisting of awareness on OSH and environment. Example of trainings are chemical safety management, incident reporting, water quality monitoring and etc. In Jengka 23 Estate, training plan for 2020 available and workers are being assessed based on their job performance. The estate is with single crop. There are 8 trainings planned in 2020 and 4 have been completed and remaining being reschedule due to Covid 19 outbreaks since March 2020.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services

Criterion 1 Environmental management plan

Indicator 1 An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.

Summary Environmental policy dated 1st July 2019, signed Y. Bhg. Dato' Dr Othman Bin Haji Omar. FELDA has established procedure "Penilaian Impak Alam Sekitar"; Doc No: SOP/JPLDG/PIAS/1; Rev 01; Date 01st November 2017. The manual procedure is prepared by "Jabatan Perladangan Felda", dated 1st November 2017.

Jengka 24 estate has conducted "Pengenalpastian Aspek dan Penilaian Impak; Doc No: Felda/FGVPM/IV/IMS/15/1.6 Pind 1" for all its' activities in year 2019, prepared by En. Mohd Afif Bin Razali dated 16th July 2019 and reviewed by En Mohd Tamarin Bin Zakaria (Estate Manager) dated 17th July 2019. Environmental policy has been communicated to staff on 20th September 2018 during Staff Meeting. Sighted meeting minutes dated 20th September 2018 at Felda Jengka 24, Main Office, attended by 8 internal workers.

The policies are displayed on notice board at the main office. As per the training programme – "Jadual Program Tahunan Keselamatan & Kesihatan" (OSHA), training on MSPO Awareness are planned on May, October and November 2020. Last awareness was conducted on 3rd July 2018, seen attendance record and photographs as evidence. As per record "Laporan Penerangan/ Latihan Kelestarian "Latihan Pengurusan Impak Alam Sekitar" dated 24th July 2019 has been conducted at Felda Jengka 21, presented by En. Mohamad Hosaini Bin Mohd Arshad (Estate Manager, Jengka 22). Seen meeting minutes and photographs as evidence.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The environmental management plan shall cover the following:
a) An environmental policy and objectives;
b) The aspects and impacts analysis of all operations.

Summary Environmental policy dated 1st July 2019, signed Y. Bhg. Dato' Dr Othman Bin Haji Omar. FELDA has established procedure "Penilaian Impak Alam Sekitar"; Doc No: SOP/JPLDG/PIAS/1; Rev 01; Date 01st November 2017. The manual procedure is prepared by "Jabatan Perladangan Felda", dated 1st November 2017. The estate has conducted "Pengenalpastian Aspek dan Penilaian Impak; Doc No: Felda/FGVPM/IV/IMS/15/1.6 Pind 1" for all its' activities in year 2019, prepared by En. Mohd Afif Bin Razali dated 16th July 2019 and reviewed by En Mohd Tamarin Bin Zakaria (Estate Manager) dated 17th July 2019. The assessed environmental aspect includes;

Activity	Aspect	Impact
Triple rinsing – Chemical container at store	Empty chemical container	Land pollution

Premix at chemical store	Chemical spillage	Water and land pollution
Chemical storage	Chemical spillage during mixing activity	Water and land pollution
Fertilizer storage	Empty fertilizer bag	Land pollution
Vehicle usage for transporting fertilizer	<ul style="list-style-type: none"> • Vehicle smoke • Diesel usage 	Air, Water and Land Pollution
Vehicle usage for carrying workers	<ul style="list-style-type: none"> • Vehicle smoke • Diesel usage 	Air, Water and Land Pollution
Transport FFB from estate to mill	<ul style="list-style-type: none"> • Vehicle smoke • Diesel usage 	Air, Water and Land Pollution
Grading FFB	Spraying unripe fruit	Air Pollution
Harvesting FFB	Uncollected loose fruit	Land Pollution

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.

Summary Felda established "Pelan Pengurusan Impak Alam Sekitar – Penambahbaikan Berterusan Hasil dari Penilaian Aspek Impak Alam Sekitar". FELDA has procedure "Penilaian Impak Alam Sekitar"; Doc No: SOP/JPLDG/PIAS/1; Rev 01; Date 01st November 2017, prepared by "Jabatan Perladangan Felda.

Jengka 21 and Jengka 23 Estate management have also developed Continuous Improvement Plan – Environmental; "Pelan Pengurusan Impak Alam Sekitar – Penambahbaikan Berterusan Hasil Dari Penilaian Aspek Impak Alam Sekitar. Example sighted:

No.	Punca Pencemaran	Tindakan yang diperlukan
1.	Empty chemical container	<ul style="list-style-type: none"> • Recycle the containers responsibly. • Constructing facility for triple rinse. • To provide facility to store empty chemical container. • Update inventory of the empty containers. • Send the empty containers to licensed collector.
2.	Chemical spraying near water source	<ul style="list-style-type: none"> • Training on river buffer zone to estate workers. • Install buffer zone signboard.
3.	Leaking on premix containers	<ul style="list-style-type: none"> • Proper training to mandor and store clerk. • Chemical spray training.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 4 A programme to promote the positive impacts should be included in the continual improvement plan.

Summary Sighted "Pelan Pengurusan Impak Alam Sekitar – Penambahbaikan Berterusan Hasil Dari Penilaian Aspek Impak Alam Sekitar". FELDA has procedure "Penilaian Impak Alam Sekitar"; Doc No: SOP/JPLDG/PIAS/1; Rev 01; Date 01st November 2017, prepared by "Jabatan Perladangan Felda.

The program of Continous Improvement Plan on Environment for Felda Jengka 23, includes:

- To carry out training for sprayers
- Aspect and impact on Environmental assessment.
- Preparation of temporary chemical container storage.

As initiative, estate management has conducted "Gotong-royong di asrama" dated on 21st February 2020, sighted the photographs evidence. Together with, "Majlis Penyerahan Tong Sampah sempena Pengurusan Sisa Domestik" dated on 16th March 2020 at Dewan Orang Ramai, Felda Jengka 23.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 5 An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives of the environmental management and improvement management plans and are working towards achieving the objectives.

Summary Estate management established and implemented awareness and training programme on 13th October 2019 – "Latihan Pengurusan Impak Alam Sekitar", at Dewan Mat Kilau, Felda Jengka 24, presented by En. Ahmad Shahrir Bin Ismail, Unit Kelestarian Ladang, Felda.

Sighted meeting minutes, as during the training and awareness programme, below are the matter highlighted:

- Importance of environmental matters
- Policy briefings
- EAIA
- Domestic waste management
- Impact on environmental issues
- Triple rinsing
- Laws and regulations for compliance

Meeting minutes prepared by En Afif Razali and approved by En. Mohd Tamrin Bin Zakaria. In total 16 participants attended the training, seen the photographs as evidence. The training conducted to ensure that the policy to be communicated to all levels of the workforce and stakeholders.

As per the training programme sighted in Jengka 21 Estate – “Jadual Program Tahunan Keselamatan & Kesihatan” (OSHA), training on MSPO Awareness is planned on May, October and November 2020. Last awareness was conducted on 3rd July 2018, seen attendance record and photographs as evidence. As per record “Laporan Penerangan/Latihan Kelestarian “Latihan Pengurusan Impak Alam Sekitar” dated 24th July 2019 has been conducted at Felda Jengka 21, presented by En. Mohamad Hosaini Bin Mohd Arshad (Estate Manager, Jengka 22). Seen meeting minutes and photographs as evidence.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 6 Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.

Summary Meeting Jawatan Kuasa Keselamatan dan Kemajuan Rancangan (JKKR). Estate management has been conducted in Jengka 24 estate:

- “Mesyuarat JKKR Felda Jengka 24 [Sesi 2018 – 2021] dated on 18th February 2020; Ref: 02/2020 at Wisma JKKR Felda Jengka 24.
- “Mesyuarat JKKR Felda Jengka 24 [Sesi 2018 – 2021] dated on 5th March 2020; Ref: 07/2020 at Wisma JKKR Felda Jengka 24.

During the meeting, as stated, matters discussed during the meeting are as follows:

- Awareness on environmental at Felda Jengka 24
- No open burning is allowed
- Maintaining buffer zone
- Restricted in usage of empty chemical containers

NC (Minor): During audit verification, found out that the meeting was last organized by Jengka 21 estate on 5th June 2018. However, there is no meeting conducted hereafter with employees to discuss about environmental quality matters.

In Compliance ☐ **Yes** ☒ **No** ☐ **Not Applicable**

Criterion 2 Efficiency of energy use and use of renewable energy

Indicator 1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.

Summary Management of Jengka 24 Estate has established “Pelan Pengurusan Penggunaan Tenaga, Kawalan Pencemaran dan Pemantauan Kesan Perlepasan Gas Rumah Hijau (GHG)’ for year 2020. A monthly record on energy consumption for both renewable and non-renewable sources were also maintained documented. It is monitored to optimize

use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel. Prepared by En. Mohd Afif bin Razali and approved by En Mohd Tamrin Bin Zakaria. Monitoring of diesel and electricity Usage sighted recorded data for 12 months with total usage of Diesel (2019) was 3,349 liter/mt FFB and electricity (2019) was 4,436 kWh/mt FFB.

As for Jengka 21 Estate, recorded in "Pelan Pengurusan Penggunaan Tenaga, Kawalan Pencemaran dan Pemantauan Kesan Perlepasan Gas Rumah Hijau (GHG)" for the year 2020 stated FFB (mt) as below:

2017: 10,594.87 mt

2018: 9,758.08 mt

2019: 11,307.49 mt

NC (Major): No record on consumption of non-renewable energy and assessment on the usage of non-renewable energy made available in Jengka 23 Estate.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Indicator 2 The oil palm premises shall estimate the direct usage of nonrenewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.

Summary The projection consumption of diesel for estate has been documented on annual basis based on the financial year with the latest available is for year 2019 and 2020. It was monitored to optimize use of renewable energy. Data was compiled for comparison and control for future improvement. Estate electricity supply was from TNB.

NC (Major): During audit verification in Jengka 23 Estate, found out there is no estimate of the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Indicator 3 The use of renewable energy should be applied where possible.

Summary Not applicable for estate. Operation of vehicle is fully dependent on fossil fuel.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 3 Waste management and disposal

Indicator 1 All waste products and sources of pollution shall be identified and documented.

Summary All the estates audited have established list of waste identified, "Pengenalpastian Sumber & jenis Bahan Buangan – Bahan Buangan Terjadual". The management identified all waste products and sources of pollution produced from plantation activities such as

Spent lubricant oil, spent oil filter, spent batteries, Empty chemical containers, Empty fertilizer bags, Scrap iron, Used Tyres, Papers, Glass, Plastic, Spraying pump and rags. In Jengka 21 Estate, this document was prepared on 8th August 2018 by En. Muhammad Muzzammil and approved by En. Mohamad Husaini B. Mohd Arshad. The waste identified such as:

Schedule waste identified	Non-schedule waste identified
Used PPE	Fertilizer bag
Chemical containers	Used tyre
Paint containers	Papers, glass, aluminium
Spent oil, lubricant oil	Domestic waste
Used bulbs	
Electronic components	
Battery	

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:
a) Identifying and monitoring sources of waste and pollution.
b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.

Summary The management has established the Waste management plan and disposal; "Mengenal pasti aktiviti pencemaran alam sekitar dan pelan tindakan untuk mengurangkan pencemaran ". The plan describes the measurement to control and reduce pollution impacts. The estate applied Empty Fruit bunch from the mill as organic fertilizers.

As a sample evidence, the Waste Management Action Plan describes the measurement to control for Scheduled Waste are as follow;

1. Item Description: Used lubricant
2. Location: Field operation
3. Action to be taken: collect and record used lubricants (refer used lubricant collection record), store items under lock & key, put up "Used lubricant" sign, dispose off the items through registered purchaser.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.

Summary Felda has established Manual Keselamatan, Kesihatan dan Alam Sekitar – Seksyen 24: Prosedur Keselamatan Pengurusan Stor Bahan Kimia. Seksyen 25: Prosedur Keselamatan Pengurusan Sisa Bahan Kimia. The SOP established are to ensure proper handling, storage and disposal of chemicals.

Estate management has sent a letter to Koperasi Serbaguna Felda Jengka 24, "Surat Pemakluman Tentang Pengendalian Racun dan Bilasan 3 kali serta Penyediaan Stor Simpanan Tong Racun yang telah digunakan", dated 2nd January 2020. As they are responsible to follow the SOP of chemical handling.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.

Summary As per interviewed, the chemical containers have been triple rinsed and punctured to prevent contamination of water source or to human health. The other empty containers generated from estate are send to G-Planter for disposed. Scheduled waste was disposed in accordance with scheduled waste requirements and regulation. As per interviewed, others SW are disposed by DOE approved contractor.

Procedures are available during the audit.

Empty pesticide containers triple rinsed and used back. The remaining of empty pesticide are triple rinsed and punctured 3 holes at the bottom and kept at the store. As to date the pesticide container has not been disposed. However, sighted the approval letter from Pengarah Bahagian Racun perosak Jabatan pertanian, K.L with reference no: 91/120/038/014.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 5 Domestic waste should be disposed as such to minimise the risk of contamination of the environment and watercourse.

Summary Domestic waste in Jengka 23 and Jengka 21 estate sent for disposal area which is located approximately 2km from the housing area. As per record, landfill "Tempat Pelupusan Sampah Felda Jengka 21" are documented as below:

Open: 1st August 2019
Close: 30th February 2020

Open: 1st March 2020
Close: Still in use

NC (Minor): During field visit in Jengka 21 Estate, found out the landfill area is located approximately 2km from the housing area. As per record of landfill, the latest landfill opened was on 1st March 2020 and remained open. However, found out that domestic waste was not segregated and found empty paint containers, non-degradable items are thrown into the landfill. Found out contamination around the landfill area which are exposed to land and air pollution.

Rubbish are not effectively managed in "Asrama Pekerja" in Jengka 23. It is found that rubbish behind the Asrama was laying around and not collected.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Criterion 4 Reduction of pollution and emission including greenhouse gas

Indicator 1 An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.

Summary Felda management has conducted an assessment of all polluting activities conducted in Felda Jengka 24. Seen record of "Mengenalpasti aktiviti pencemar alam dan pelan Tindakan untuk mengurangkan pencemaran". Example management plan sighted:

Activity	Impact	Action	Remarks
FFB Transport to mill	Air	Vehicle inspection at PUSPAKOM as per schedule.	Ensure all vehicles are sent to PUSPAKOM
Field spraying	Air	No spraying allowed at buffer zone area	Ensure spraying is according to SOP.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 An action plan to reduce identified significant pollutants and emissions shall be established and implemented.

Summary Environmental Management Plan (EMP) – "Pengenalpastian Aspek dan Penilaian Impak" to reduce pollutant from the activity of storage and disposal of fertilizer bag from field operation which create pollution. Action plan to reduce identified significant pollutants and emissions has been established and implemented by estate management. As per record of Environmental Management Plan (EMP), the action to be taken are as follows:

- Waste segregation campaign
- Briefing on buffer zone

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 5 Natural water resources

Indicator 1 The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:

- Assessment of water usage and sources of supply.
- Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
- Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).
- Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.

- e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
- f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.

Summary

Estate management has established Water Management Plan, "Pelan Pengurusan Air" dated 2nd July 2020, prepared by En. Mohd Afif Bin Razali and reviewed by En. Mohd Tamrin Bin Zakaria.

The water source for Gugusan Felda Jengka 24 is from Jabatan Air Negeri Pahang (PAIP). Buffer zone has been implemented alongside the river in Jengka 24 Estate. The natural vegetation within and along the riparian areas were adequately monitored. Sighted the signage and vegetation at the side.

The water source for Gugusan Felda Jengka 23 is from Jabatan Air Negeri. Sighted thru the site visit, there is river in Jengka 21 Estate. The management has developed Water Management Plan: Reference: "Pelan Pengurusan Air ". There is Sungai Jengka in Jengka 23 Estate, during field visit the buffer zone was in place.

NC (Major): Estate management (Jengka 24) has established Water Management Plan, "Pelan Pengurusan Air" dated 2nd July 2020. As per HBV report, there is river namely Sg Burau surpassing the estate boundary. Referring to the action plan stated under Section 7; Point No. 3: "Membuat Analisa sampel air sungai (Laluan masuk dan keluar serta menyimpan rekod keputusan air).

However, there is no monitoring conducted by estate management and also no evidence that estate has protected the water courses area.

In Compliance ☐ Yes ☒ **No** ☐ Not Applicable

Indicator 2 No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.

Summary During site visit, no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).

Summary Water harvesting is implemented in various ways such as retention of water in the field such as roadside drains.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 6 Status of rare, threatened, or endangered species and high biodiversity value area

Indicator 1 Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:

- a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.
- b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.

Summary HCV assessment was conducted as per report, "Laporan Pengenalpastian HCV (Nilai Pemuliharaan Tinggi), Biodiversiti & Ekosistem", Rancangan Felda Jengka 24 Estate. The report prepared by En Muhammad Zamree Bin Abd Hamid, Unit Kelestarian Ladang, Jabatan Perladangan FELDA dated 22nd June 2018. Map of HBV area, Internal High Biodiversity Value assessment was made available.

In Jengka 23 Estate, the HCV assessment was conducted as per report, "Laporan Pengenalpastian HCV (Nilai Pemuliharaan Tinggi), Biodiversiti & Ekosistem", Rancangan Felda Jengka 24 Estate. The report prepared by En Muhamad Fysal Abdul Malik, Unit Kelestarian Ladang, Jabatan Perladangan FELDA dated 22nd June 2018. High biodiversity identified as follows:

Vegetation: Sungai Jengka

Wild animals: Monyet, Beruk, Biawak, Burung hantu, burung wak wak, ular hitam, ular sawa, ular tedung, ayam hutan.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:

- a) Ensuring that any legal requirements relating to the protection of the species are met.
- b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.

Summary There are no HCV and RTE species identified in the estate. Signage of NO HUNTING sighted at the estate entrance to discourage illegal hunting activities. The estate management has committed to comply with the regulations set up by the authorities. As per interview with the workers, they are understood with the employer's instruction to not hunting the wildlife.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.

Summary The Management Plan for HCVs identified within the unit covering the scope, programme, timeframe, management plan as well as person in-charge to execute the plan is available and has been verified during the audit. The plan is also found to be approved by the estate manager. Management plan for RTE species has been developed

as per Laporan Biodiversiti Rancangan Felda Jengka 21; Pelan Pengurusan Biodiversiti Rancangan Felda Jengka 21 (2017-2022).

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 7 Zero burning practices

Indicator 1 Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.

Summary Sighted Policy of Larangan Pembakaran Terbuka signed by Y. Bhg. Dato' Dr Othman Bin Haji Omar; Date on 01st July 2019. Signage of no open burning is displayed at field.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.

Summary As per interview with Estate Manager, there is no out-break for any diseases in estate area. Thus, no special approval needed to do the open burning. Estate still can manage by using the chemical.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.

Summary As per interview with Estate Manager, no special approval needed to do open burning. Estate has adopted Policy of Larangan Pembakaran Terbuka signed by Y. Bhg. Dato' Dr Othman Bin Haji Omar; Date on 01st July 2019. Signage of no open burning is displayed at field.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.

Summary Open burning in relation to new planting, re-planting or other development is not allowed and this was communicated to all employee and stakeholder. During replanting process, the old palm to be felled, chipped and pulverized and been remained in the field for self-composed.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.6 Principle 6 : Best practices

Criterion 1 Site management

Indicator 1 Standard operating procedures shall be appropriately documented and consistently implemented and monitored.

Summary The estate has implemented Good Agriculture Practice (GAP) as seen from visit to the estate and seen from the document and also interviewing the workers.

Sighted the Manual Pengurusan Rancangan for Felda and Manual Keselamatan, Kesihatan Pekerjaan dan Alam Sekitar for Technoplant Sdn Bhd.

Felda - Manual Pengurusan Rancangan (Published by FELDA in July 2010)

1. Tajuk 1: Pengurusan Kebun Sawit
2. Tajuk 2: Pengurusan Kebun Getah
3. Tajuk 3: Pembangunan Komuniti
4. Tajuk 4: Pembangunan Generasi Baru
5. Tajuk 5: Pembangunan Usahawan
6. Tajuk 6: Pengurusan Tanah
7. Tajuk 7: Pengurusan Sumber Manusia
8. Tajuk 8: Pengurusan Kontrak dan Bekalan
9. Tajuk 9: Pengurusan Kewangan

FTP - Manual Keselamatan, Kesihatan Pekerjaan dan Alam Sekitar for Felda Technoplant Sdn Bhd (Issued date: 01.01.2019) contains 3 parts:

1. Part I: Pengurusan Keselamatan dan Kesihatan FTP
2. Part II: Garis Panduan Keselamatan dan Kesihatan Pekerjaan
3. Part 3: Prosedur Keselamatan dan Kesihatan Pekerjaan

Besides those manuals, the estate is also referring to Manual Sawit Lestari 1 to 5 (Edisi II):

1. Pengurusan Tapak Semaian Sawit
2. Pembangunan Semula Sawit
3. Sawit Pra Matang
4. Sawit Matang
5. Pembajaan Sawit

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.

Summary Sighted Policy of Perlindungan Tanah Curam dan Rezab Sungai signed by Y. Bhg Dato' Dr. Othman Bin Haji Omar (Pengarah Besar Felda); Date on 01st July 2019.

As per sighted during estate site visit to Jengka 24 estate, there was no area which more than 25° slope. In areas where water flowing in the estate (small stream), the management is taking good initiative to preserve the area by demarcating it as river buffer zone.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 A visual identification or reference system shall be established for each field.

Summary The estate has a visual reference system to identify each field or block. Each field has the signboard.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 2 Economic and financial viability plan

Indicator 1 A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.

Summary All the estates audited have documented their business plan for at least 3 years ahead. For example, as evident in Jengka 24, annual budget for the financial year 2019 – 2024. The estate budget includes the projected FFB, OER, PK and etc production which projected for three years from 2019 – 2024. Sighted documented Business and Management Plan approved by Estate Manager.

BIL	OPEARSI LADANG	2020	2021	2022
1	Estimate FFB (MT)	24256	24785	25437
2	OER (%)	19.50	19.50	20.00
3	Operation Cost (RM)	6064000	6196250	6359250
4	Operation Cost (RM/MT)	250	250	250
5	FFB Price (RM/MT)	450	450	450
6	Replanting Program	-	-	-

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.

Summary No replanting programme within 5 years in Jengka 24 and Jengka 21 Estate. In Jengka 23 Estate, replanting program as per documented in "Anggaran Kos dan Hasil Ladang". For year 2023, the management will start OP replanting in 190.98 Ha area.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The business or management plan may contain:

- a) Attention to quality of planting materials and FFB.
- b) Crop projection: site yield potential, age profile, FFB yield trends.
- c) Cost of production: cost per tonne of FFB.
- d) Price forecast.
- e) Financial indicators: cost benefit, discounted cash flow, return on investment.

Summary Estate had an annual budget for the financial year 2019 – 2024. The estate budget includes the projected FFB, OER, PK and etc production which projected for three years from 2019 – 2024. Sighted documented Business and Management Plan (Anggaran Kos dan hasil Ladang) approved by Estate Manager.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.

Summary The estate performance is recorded in the monthly progress report. Details on the actual vs budget i.e. Upkeep maintenance, FFB Production, capital expenditure are shown therein. Sighted document "Rumusan Laporan Bulanan Pertanian Bulan Jun 2020".

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 3 Transparent and fair price dealing

Indicator 1 Pricing mechanisms for the products and other services shall be documented and effectively implemented.

Summary There is no existing mechanism of determining FFB pricing for the estate as the crops being processed by its own Mill. The pricing of FFB is done based on MPOB pricing every month given by Felda HQ in Kuala Lumpur.

For others, pricing mechanism is set thru open tender process. Announcement will be made available to all contractors and they will deliver their quotation to the estate. The contractors have signed an agreement with the estate to provide services. The agreement has detailed the pricing mechanism for the service offered. Example contract sighted No SPK: 3100169327 dated 01.04.2020 between the estate management and Mohd Ridzuan Aris Enterprise. The price agreed such as as for palm pruning and frond stacking at RM 2.30/palm. Payment to this contractor was made on 19th May 2020 as per documented in "Sijil Bayaran Kontrak Kerja Pertanian (Tuai & Angkut BTS / Membaja / DSB)".

Example contract sighted No SPK: 2000175960 dated 09.12.2019 between the estate management and Koperasi Serbaguna Felda Teratai Jengka 21 Bhd. The price agreed such as for:

Work: FFB Harvesting (13th Year Old Palm)
Quantity: 2,170 MT
Cost: RM 46.00/MT

Value: RM 99,820.00

Evidence of payment made as per document "Sijil bayaran Kontrak" No. 5100226785
 FFB Weight: 451.89 MT
 Payment: RM 20,786.94

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.

Summary All contracts are kept in estate office. Sighted the contract Agreement signed by contractor and all estates. Payment will be paid 30 - 60 days after the estate received the invoice from contractors. Sighted "Surat Perintah Kerja" No. 3100163331 dated 01.03.2019 signed by Mega Lux Trading in Felda Jengka 24.

Contract agreement (Surat Perintah kerja) sighted in Felda Jengka 21 during the audit:
 SPK No: 2000175960
 Date: 09.12.2019
 Contractor: Koperasi Serbaguna Felda Teratai Jengka 21 Bhd
 Type of work: FFB Harvesting (13th Year Old Palm)
 Evidence of payment made as per document "Sijil bayaran Kontrak" No. 5100226785
 FFB Weight: 451.89 MT

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 4 Contractor

Indicator 1 Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.

Summary All the contractors are aware that estate will be certified under MSPO. Therefore, the contractor has been informed by estate management to follow the MSPO standard requirement. Sighted memo (Pematuhan Terhadap Pensijilan MSPO) issued by the estate management to each estate contractor.

In Felda Jengka 21, sighted memo signed by contractor Ahmad Bin Awang Nik (Koperasi Serbaguna Felda Teratai Jengka 21).

In Felda Jengka 23, sighted memo signed by contractor Mohd Radzuan Bin Mohd Aris, contractor from Mohd Radzuan Aris Enterprise.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 The management shall provide evidence of agreed contracts with the contractor.

Summary All contract agreements with the contractors are well kept by the estate management. Sighted all contract includes an agreement signed by contractor and estate manager with term and condition. Sighted "Surat Perintah Kerja" No. 3100163331 dated 01.03.2019 signed by Mega Lux Trading.

All the contractors are aware that estate will be certified under MSPO. Therefore, the contractor has been informed by estate management to follow the MSPO standard requirement.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.

Summary The estates were audited by Global Gateway Certifications Sdn Bhd MSPO auditor on 07th July to 09th July 2020. Sighted audit plan dated 26th June 2020 which have been accepted address to Mr. Nazri Ulin. All the auditors are qualified MSPO auditor. As per agreed, the company accept the GGC MSPO Auditors to verify through a physical inspection if required for audit purposed.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.

Summary Estate verified the work done by the contractors before all the payment paid to the contractors. Estate also inspect the contractor's workers. As per interviewed and also during site visit, the workers aware with OSH requirement. As example, the workers wear the PPE during the work task that given to them.

In Felda Jengka 23, sighted a daily checklist prepared by Estate Supervisor to check all the work done by contractor (Mohd Radzuan Aris Enterprise) for the month of May 2020. This document has been verified by Pengurus Projek (FTPSB), En. Badrulhisham Bin Ghazali.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.7 Principle 7 : Development of new planting

Criterion 1 Oil palm shall not be planted on land with a high biodiversity value

Indicator 1 Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Criterion 2 Peat land

Indicator 1 New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Criterion 3 Social and Environmental Impact Assessment (SEIA)

Indicator 1 A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 3 The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 4 Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Criterion 4 Soil and topographic information

Indicator 1 Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Criterion 5 Planting on steep terrain, marginal and fragile soils

Indicator 1 Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 3 Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Criterion 6 Customary land

Indicator 1 No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 3 Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 4 The owner of recognized customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 5 Identification and assessment of legal and recognised customary rights shall be documented.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 6 A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 7 The process and outcome of any compensation claims shall be documented and made publicly available.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 8 Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.

Summary Not applicable as no new planting in the estate.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

2.8 Details of Audit Findings

Details Non-Conformity

- See Appendix B -

Details of Area of Concern

- See Appendix B -

Details of Noteworthy / Positive Findings

- 1) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 2) The management is highly committed to comply the MSPO system by adopting continuous improvement programs.
- 3) The estate management has demonstrated fully commitment during the entire audit process.
- 4) Signages throughout office, chemical area and in the field sites, effectively maintained and appropriate to the needs of the process.
- 5) Good relationship being maintained with surrounding smallholders and villages.
- 6) Good positive feedback received from internal and external stakeholders.

Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
06 th July 2020	TBA	➤ Travelling to Bandar Jengka, Pahang.	MFB	SP MM
07 th July 2020	08:00 – 09:00	➤ Centralize Opening Meeting at Felda Jengka 24 Estate: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. • Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation – where applicable). 	MFB	SP MM
	09:00 – 13:00	Felda Jengka 24 Estate <ul style="list-style-type: none"> ➤ Document Audit: ➤ Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MFB	SP MM
	10:30 – 12:30	<ul style="list-style-type: none"> ➤ Estate inspection: • Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MFB	SP MM
	13:00 – 14:00	➤ Lunch / Rest	MFB	SP MM
	14:00 – 16:00	<ul style="list-style-type: none"> ➤ Continue document review • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MFB	SP MM
	16:00 – 17:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 1.	MFB	SP MM

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
08 th July 2020	09:00 – 13:00	Felda Jengka 21 Estate <ul style="list-style-type: none"> ➤ Document Audit: ➤ Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment 	MFB	SP MM



		records, complaint records, workers records, training records, permits, CIP, etc.		
	10:30 – 12:30	➤ Estate inspection: <ul style="list-style-type: none"> Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MFB	SP MM
	13:00 – 14:00	➤ Lunch / Rest	MFB	SP MM
	14:00 – 16:00	➤ Continue document review <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MFB	SP MM
	16:00 – 17:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 2.	MFB	SP MM

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
09 th July 2020	08:00 – 13:00	Felda Jengka 23 Estate <ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MFB	SP MM
	10:30 – 12:30	➤ Estate inspection: <ul style="list-style-type: none"> Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MFB	SP MM
	13:00 – 14:00	➤ Lunch / Rest	MFB	SP MM
	14:00 – 16:00	➤ Continue document review <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MFB	SP MM
	16:00 – 16:30	➤ Verify any outstanding issues and auditor discussion.	MFB	SP MM
	16:30 – 17:00	➤ Centralize Closing Meeting at Felda Jengka 23 Estate: <ul style="list-style-type: none"> ➤ Chaired by the audit Lead Auditor 	MFB	SP MM





		<ul style="list-style-type: none"> Welcome and introduction by the Lead Auditor Presentation of findings by the audit team Questions & answers and Final summary by Lead Auditor <p>➤ End of assessment</p>		
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Appendix B : Non-Conformity details

Non-Conformities Identified During This Audit




Major Nonconformities:

The following NC's were raised for this audit.

Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MAJOR/01	Date Detected	09 th July 2020	
Site(s) concern	Jengka 21, 23, 24	Target Completion	90 days	
Normative Reference and Requirement	4.1.2.2 The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.			
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Actions should be taken on the nonconformity raised in internal audit includes identification of the root cause and corrective actions taken to close the nonconformity.			
NC Objective Evidence: (Major in MA) The annual audit for sampled estates was done by Pn. Ros Haslinda from Regional Office and sighted more findings from Principle 4 and 5. As at audit date, sampled estates have insufficient documents to demonstrate whether the internal audit findings are closed or remain open. This is against the procedure SOP/JPLDG/PAD/1, clause 6.5.3, 6.5.4, 6.6 and 6.7.				
Lead Auditor Signature:		Client Signature:		
				
Root cause Analysis (to be filled by client):				

The corrective action after MSPO internal audit was not updated after the audit.	
Corrective action planned (to be filled by client):	
The corrective action plan has been updated according to the NC given during MSPO internal audit.	
Preventive Action (to be filled by client):	
To ensure the corrective action for NCR submitted according to the date set by SOP.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence submitted has been verified.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date Verified: 01.09.2020	Lead Auditor Signature: 

Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MAJOR/02	Date Detected	09 th July 2020	
Site(s) concern	Jengka 23, 24	Target Completion	90 days	
Normative Reference and Requirement	4.1.3.1 The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.			
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Decision from the management review shall be compiled and used as basis for continual improvement plan and/ or Corrective Action Plan.			
NC Objective Evidence: There is no management review process or Mesyuarat Jawatankuasa Pandu Minyak Sawit Mapan bagi Wilayah Felda Jengka 21 done for Jengka 23 and Jengka 24 since 2018.				

Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client):	
Management Review Minute was not updated after the Internal Audit being conducted.	
Corrective action planned (to be filled by client):	
The meeting has been conducted and minute for record by the management.	
Preventive Action (to be filled by client):	
To ensure all meetings are conducted within the time frame set by SOP.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence submitted has been verified.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date Verified: 01.09.2020	Lead Auditor Signature: 

Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MAJOR/03	Date Detected	09 th July 2020	
Site(s) concern	Jengka 24	Target Completion	90 days	
Normative Reference and Requirement	4.4.2.2 The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.			
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	The operating unit to record the complaints and actions taken in the complaint register book with updated status to correspond with resolution is accepted by complainant or parties with grievances.			

NC Objective Evidence:**(Major in MA)**

The estate has no workers (local and foreigners) under their payroll. Since from the previous audit assessment there were 2 complaints and/or grievances registered. The first was dated on 16/06/2020 at which a settler requesting to install fencing within his land area.

The 2nd was recorded on 30/06/2020 on a land dispute @ Lot 2413. As per interviewed with estate manager, the estate management has resolved the issue between the 2 affected parties. However, documents such as minutes of meeting was not available to ensure that the resolution was accepted by complainant or parties with grievances.

Lead Auditor Signature:

Client Signature:

Root cause Analysis (to be filled by client):

The dispute occurred in Lot 2413. After the dispute has been resolved, there is no written document to support this event.

Corrective action planned (to be filled by client):

Agreement has been made in writing and signed by both parties, witnessed by Supervisor Peringkat 005 and the Estate Manager. Copy of the agreement kept in a file.

Preventive Action (to be filled by client):

To ensure each dispute is resolve and documented for future reference.

Review of corrective/preventive action (to be filled by Lead Auditor)




Evidence submitted has been verified.

NC Closed: ☒ Yes ☐ No

Site verification: ☐ Yes ☒ No




Date Verified: 01.09.2020
Lead Auditor Signature:


Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MAJOR/04	Date Detected	09 th July 2020	
Site(s) concern	Jengka 23, 24	Target Completion	90 days	
Normative Reference and Requirement	<p>4.4.4.2 The occupational safety and health plan shall cover the following:</p> <p>(j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>(e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p>			
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Documents not available.			
NC Objective Evidence: (Major in MA) Jengka 24: (j). Based on the records verified, there was no accident happened since 2018 and therefore JKPP 6 was not required to submit to DOSH. However, it was observed, the JKPP 8 was not submitted to DOSH for calendar year 2019 as required by Safety and Health Reg. 10 (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004 [NADOPOD]. (e). The estate has outsourced their plantation activities such as manuring, spraying, pruning and harvesting to Koperasi Peneroka FELDA Jengka 24 and sighted the relevant SPK. The Koperasi Peneroka FELDA Jengka 24 has tendered the jobs to a 3 rd party contractor who supplies manpower, working tools, PPE, and etc. Interviewed Sustainability Officer reveals Medical Surveillance for the contract workers who exposed to hazardous chemicals was not done. Jengka 23: (e). Medical surveillance for 2020 is planned before Sept'2020 and sighted a letter from Klinik Sulaiman acknowledging the application from estate. The last medical surveillance was in 2018 and in 2019 it was not carried out that against recommendation stipulated in CHRA (Clause 9.0).1				

Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client):	
Contractors dis not sent their workers for annual medical surveillance.	
Corrective action planned (to be filled by client):	
The estate management has issued a reminder letter to the contractors to send their workers for annual medical surveillance to certified OSH Doctor in nearby town.	
Preventive Action (to be filled by client):	
Action by contractor will be follow up by the management until all the workers are sent to medical surveillance.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence submitted has been verified.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date Verified: 01.09.2020	Lead Auditor Signature: 



Company Name	FELDA Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MAJOR/05	Date Detected	9 th July 2020
Site(s) concern	Jengka 23	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.2.1 (Repeated Minor upgraded to major) Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.		
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		




Description of Non-Conformity	No record made available during the audit.		
NC Objective Evidence:			
No record on consumption of non-renewable energy and assessment on the usage of non-renewable energy made available.			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
Records are not available.			
Corrective action planned (to be filled by client):			
All records have been updated according to the right format.			
Preventive Action (to be filled by client):			
Estate will ensure all records for diesel and electricity usage are recorded and updated regularly.			
Review of corrective/preventive action (to be filled by Lead Auditor)			
Evidence submitted has been verified.			
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date Verified: 01.09.2020		Lead Auditor Signature:	
			

Company Name	FELDA Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MAJOR/06	Date Detected	9 th July 2020	
Site(s) concern	Jengka 23	Target Completion	Next Surveillance Audit	





Normative Reference and Requirement	4.5.2.2 (Repeated Minor upgraded to major) The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.	
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern	
Description of Non-Conformity	No record made available during the audit.	
NC Objective Evidence: During audit verification, found out there is no estimate of the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.		
Lead Auditor Signature: 	Client Signature: 	
Root cause Analysis (to be filled by client): Records are not updated.		
Corrective action planned (to be filled by client): Estate will ensure all records for diesel and electricity usage are recorded and updated regularly.		
Preventive Action (to be filled by client): Estate will ensure all records for diesel and electricity usage are recorded and updated regularly.		
Review of corrective/preventive action (to be filled by Lead Auditor) Evidence submitted has been verified.		
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date Verified: 01.09.2020	Lead Auditor Signature: 	

Company Name	FELDA Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MAJOR/07	Date Detected	9 th July 2020
Site(s) concern	Jengka 24	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	<p>4.5.5.1 Major</p> <p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p>		
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No water sampling conducted as per HBV report.		
NC Objective Evidence: Jengka 24: Estate management has established Water Management Plan, "Pelan Pengurusan Air" dated 2 nd July 2020. As per HBV report, there is river namely Sg Burau surpassing the estate boundary. Referring to the action plan stated under Section 7; Point No. 3: "Membuat Analisa sampel air sungai (Laluan masuk dan keluar serta menyimpan rekod keputusan air). However, there is no monitoring conducted by estate management and also no evidence that estate has protected the water courses area.			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
The area was actually a swamp area, mistakenly declared as river in the area.			
Corrective action planned (to be filled by client):			
The estate management has confirmed that the map, which was surveyed by Meridian Survey Consultants, dated 07.03.2004 showed only swamp area because no water flowing in the area.			

Preventive Action (to be filled by client):	
Buffer Zone signage has been install near the swamp area to prohibit any chemical activities in the area.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence submitted has been verified.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date Verified: 01.09.2020	Lead Auditor Signature: 



Minor Nonconformities:	The following NC's were raised for this audit.
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Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MINOR/01	Date Detected	09 th July 2020	
Site(s) concern	Jengka 21, 23, 24	Target Completion	Next ASA	
Normative Reference and Requirement	4.1.1.1 A policy for the implementation of MSPO shall be established.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Policy shall be communicated to all management staff and internal stakeholders as part of implementation process.			
NC Objective Evidence: Aside of Felda's "Polisi Pengeluaran Minyak Sawit Lestari Dalam Kumpulan Felda" dated on 01/11/17, there are also 17 policies seen displayed at sampled estate offices and training records evidenced for FTP workers. However, in Jengka 21 interview with field workers found they are not aware on MSPO policies and complaint & grievance mechanism. In Jengka 24, found no records of policies been communicated to external contractors who are contracted to do harvesting, pruning, spraying and manuring. In Jengka 23, the estate staff communicate MSPO policies during roll call but training records of whom attended and trainer's details				
Lead Auditor Signature: 		Client Signature: 		
Root cause Analysis (to be filled by client): The MSPO policy was not properly delivered to the estate workers and no training records available.				
Corrective action planned (to be filled by client): The estate management has conducted MSPO Policy training and recorded for future reference.				
Preventive Action (to be filled by client): To ensure all trainings are properly recorded and also to ensure all contractors and their workers are properly trained and understand the MSPO Policy.				
Review of corrective/preventive action (to be filled by Lead Auditor)				

The effectiveness of the action taken by estate management will be verified during next ASA.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:



Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/02	Date Detected	09 th July 2020
Site(s) concern	Jengka 23, 24	Target Completion	Next ASA
Normative Reference and Requirement	4.1.2.3 Report shall be made available to the management for their review.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	Internal audit report shall be submitted to the management for management review process.		
NC Objective Evidence: Annual Internal audit was done as per planned and the finding summary was submitted by auditor to sampled estates. However, Jengka 23 and Jengka 24 has not evaluated and review of the internal audit findings.			
Lead Auditor Signature:	Client Signature:		
			
Root cause Analysis (to be filled by client):			
No action taken by the management.			
Corrective action planned (to be filled by client):			
To evaluate all the findings and make corrective action accordingly.			
Preventive Action (to be filled by client):			
Will be follow up regularly.			
Review of corrective/preventive action (to be filled by Lead Auditor)			

The effectiveness of the action taken by estate management will be verified during next ASA.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/03	Date Detected	09 th July 2020
Site(s) concern	Jengka 21, 23, 24	Target Completion	Next ASA
Normative Reference and Requirement	4.1.4.1 The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	Management may develop continual improvement based on ongoing improvement or links to environmental and social impacts.		
NC Objective Evidence: During field, line -site and storage visits, the sampled estates has continuous improvements either done or in-progress. Such as building new chemical store, planting of beneficial plants, EFB applications and etc. However, it was observed, the CIP available in sampled estates are same as in 2018, however it is not clear on how the monitoring done in 2018 and the reasons for carry forward the CIP to calendar year 2019/2020.			
Lead Auditor Signature:	Client Signature:		
			
Root cause Analysis (to be filled by client):			
Continuous action plan was not updated.			
Corrective action planned (to be filled by client):			
To update the CIP.			
Preventive Action (to be filled by client):			

To ensure updating the CIP regularly every year.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
The effectiveness of the action taken by estate management will be verified during next ASA.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	FELDA Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/04	Date Detected	9 th July 2020
Site(s) concern	Jengka 24/ Jengka 21 / Jengka 23	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.3.1.1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	Deduction of salary in accordance to Permit Potongan Gaji Pekerja		
NC Objective Evidence:			
<p>During the audit verification, found out that the salary of workers is deducted with "caj bil air, bil elektrik dan subsidi perubatan". Sighted Permit Potongan JTK – valid from 9th October 2015. [Ruj: (36) dlm BHG.PU/9/129 Jld 20 – "Potongan Upah di bawah Seksyen 24 Akta Kerja 1955 – Potongan bagi lebihan limit subsidi perubatan dan premium insurans luar negara tenaga kerja Indonesia". However, there is no permit made available for the deduction to be made for other foreign workers (India, Bangladesh) and local staff. As per interview with the HQ representative, a meeting between JTK Officer in Putrajaya and FELDA HQ was held last year. The JTK Officer has verbally agreed that the permit which was issued back in 2015 can still be used for the salary deduction of other foreign workers. However, during the audit there was not evident or letter to support this claim.</p>			

Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client):	
Mistakenly thought that the old JTK Permit can be used because JTK Putrajaya has verbally given the permission to use the old one.	
Corrective action planned (to be filled by client):	
The FTP Foreign Workers Department will obtain a new permit or get the old permit endorsed by JTK Putrajaya by including Indian and Bangladeshi workers.	
Preventive Action (to be filled by client):	
To ensure all permits and letters are updated according to current situation.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
The effectiveness of the action taken by estate management will be verified during next ASA.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	FELDA Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/05	Date Detected	9 th July 2020
Site(s) concern	Jengka 24/ Jengka 21	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.3.1.3 The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	Legal requirement was not up to date.		

NC Objective Evidence:

JENGKA 24

FELDA established the list of applicable laws and regulations that are applicable. The list "Register of Legal and Other Requirements" [No. Borang: ML-1A/L5-AP1 Pind 0]. However, the legal requirements register was last updated on 8th January 2018, and new laws and regulations was not included into the list of laws. As per the "Sistem Semakan Perubahan Undang-Undang [Dok: Panduan, dated 23rd June 2015 (Pindaan 4) stated – Semakan Senarai Undang-Undang setiap 6 bulan oleh pegawai yang dilantik di Rancangan FELDA/Kilang/Plantations.

JENGKA 21

During audit verification, found out estate management has not included the new amendments of laws and regulations came into force in the legal register.

Lead Auditor Signature:

Client Signature:

Root cause Analysis (to be filled by client):

The mechanism for new amendments was not understood by the person in-charge.

Corrective action planned (to be filled by client):

The list has been updated accordingly.



Preventive Action (to be filled by client):

To ensure the list of legal and requirements are updated regularly according to the SOP.


Review of corrective/preventive action (to be filled by Lead Auditor)

The effectiveness of the action taken by estate management will be verified during next ASA.

NC Closed: ☐ Yes ☒ No**Site verification:** ☐ Yes ☐ No**Date Verified:****Lead Auditor Signature:**



Company Name	FELDA Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/06	Date Detected	9 th July 2020
Site(s) concern	Jengka 23	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.1.6 Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	Meeting was not conducted on regular basis.		
NC Objective Evidence:			
During audit verification, found out that the meeting was last organized on 5 th June 2018. However, there is no meeting conducted hereafter with employees to discuss about environmental quality matters.			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
No environmental meetings being conducted by the management.			
Corrective action planned (to be filled by client):			
Meeting discussing on the environment has been conducted and minute was recorded.			
Preventive Action (to be filled by client):			
To ensure that environmental meetings are conducted according to schedule.			
Review of corrective/preventive action (to be filled by Lead Auditor)			
The effectiveness of the action taken by estate management will be verified during next ASA.			
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Date Verified:	Lead Auditor Signature:

Company Name	FELDA Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/07	Date Detected	9 th July 2020
Site(s) concern	Jengka 21 / Jengka 23	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.3.5 Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No proper disposal on domestic waste.		
NC Objective Evidence:			
<p>During field visit, found out the landfill area is located approximately 2km from the housing area. As per record of landfill, the latest landfill opened was on 1st March 2020 and remained open. However, found out that domestic waste was not segregated and found empty paint containers, non-degradable items are thrown into the landfill. Found out contamination around the landfill area which are exposed to land and air pollution.</p> <p>Rubbish are not effectively managed in "Asrama Pekerja" in Jengka 23. It is found that rubbish behind the Asrama was laying around and not collected.</p>			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
Rubbish disposal pit is not according to standard.			
Corrective action planned (to be filled by client):			
Rubbish in workers' housing area has been cleaned and disposed in a new rubbish pit, which was constructed according to standard and specification set by SOP.			
Preventive Action (to be filled by client):			

To continuously monitor the cleanliness at workers' housing area.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
The effectiveness of the action taken by estate management will be verified during next ASA.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Area of Concerns Identified During This Audit
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Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number			
NC No. / Ref.		Date Detected	09 th July 2020
Site(s) concern	Jengka 23	Target Completion	Next ASA
Normative Reference and Requirement	4.4.6.2 Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes.		
NC Type	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern		
Description of Non-Conformity	Training needs analysis to be conducted prior to the planning and implementation of the training programme.		
NC Objective Evidence: According to FTP manager, on job trainings for workers are given as and when appropriate and awareness trainings are according to annual OSH program. However, for Felda, there is no formal training needs identified for settlers. During field visit, the audit team observed Sg. Jengka is passing next to a self-managing (Urus Sendiri) settler's land and spraying was sighted in-process away from river. The audit team not sighted any evidence of over spraying or spraying at buffer zone. Felda management to have a training need in order to ensure the policies are implemented effectively.			
Lead Auditor Signature: 		Client Signature: 	

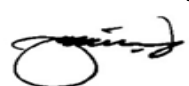

Non-Conformities Identified During Previous Audit (Main Assessment)

Minor Nonconformities:

The following minor NC's were raised during previous audit (MA).

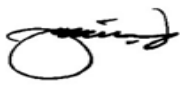


Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/01	Date Detected	5 th September 2018
Site(s) concern	All Complex	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.4.2.4 Minor Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	Stakeholders not aware of complaints or suggestion procedure		
NC Objective Evidence:			
Sighted minute of meeting for external estates stakeholders. However, during stakeholders meeting (combine with all Estates under Gugusan FELDA Jengka 21) on 4 th September 2018 conducted by Global Gateway Certifications Sdn Bhd, it was observed the stakeholders were not aware that any complaints or suggestions could be forwarded to the Estates Management.			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
Recommend to stakeholder complaints procedure is ineffective			
Corrective action planned (to be filled by client):			
Presentation of information on a regular basis			
Preventive Action (to be filled by client):			

Information sharing program stakeholders regularly	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 

Company Name	FELDA GUGUSAN JENGKA 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/02	Date Detected	5 th September 2018
Site(s) concern	Jengka 21 & Jengka 22	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.4.4.1 Major downgrade Minor An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence of OSH Plan being established for 2018		
NC Objective Evidence: Sighted Dasar Keselamatan Dan Kesehatan Pekerjaan on 4 th January 2016 (FTP) which was approved by Mr. Md Salleh bin Awang (Ketua Pegawai Eksekutif FTP). However, no OSH plan covering all activities related to OSH being define and documented.			
Lead Auditor Signature: 		Client Signature: 	
Root cause Analysis (to be filled by client):			



Annual OSH Program not available	
Corrective action planned (to be filled by client):	
Establishing annual OSH program	
Preventive Action (to be filled by client):	
Officials responsible for providing OSH program at the beginning of every year without fail	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 


Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/03	Date Detected	5 th September 2018
Site(s) concern	Jengka 21, Jengka 22 & Jengka 23	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.4.5.4 Minor Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence sighted during the audit. .		

NC Objective Evidence:	
There is no evidence that contract agreement between the contractor and his workers available during the audit.	
Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client):	
No copy of the contract between the contractor and his/her employees	
Corrective action planned (to be filled by client):	
Ensure that all employees of contractors have contract agreement	
Preventive Action (to be filled by client):	
Keep a copy of the contract between contractor and his/her employees	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 


Company Name		FELDA GUGUSAN JENGKA 21			
Stage of Audit		Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
		Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard		Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number		GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MINOR/04	Date Detected		5 th September 2018	
Site(s) concern	Jengka 22	Target Completion		Next Surveillance Audit	

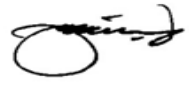



Normative Reference and Requirement	4.4.6.1 Major downgrade Minor All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern
Description of Non-Conformity	No evidence of the training programme sighted during the audit.
NC Objective Evidence: No training program for 2018 based on SOP: Prosedur Kemampuan, Kesedaran dan Latihan, No Doc: SOP/JPLDG/PKKDL/1, Rev 1 dated 1 st November 2017 is available as such unable to evaluate whether the identified trainings in the training matrix has been planned for year 2018.	
Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client): No training program for 2018	
Corrective action planned (to be filled by client): Provides a comprehensive training program every year	
Preventive Action (to be filled by client): Officials responsible prepared the training program on an annual basis without fail	
Review of corrective/preventive action (to be filled by Lead Auditor) The auditor took note the corrective action evidences provided by the company. However, the audit team is off the view that there is a need to further verify the close-out evidences provided during the subsequent audit to confirm the effectiveness of the corrective action that has been implemented for the above non-conformance. The Minor NCR is remained open to be verified during the next visit.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Date Verified: 09 th July 2020	Lead Auditor Signature: 
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Company Name	FELDA GUGUSAN JENGKA 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MINOR/05	Date Detected	5 th September 2018	
Site(s) concern	Jengka 22	Target Completion	Next Surveillance Audit	
Normative Reference and Requirement	4.4.6.2 Major downgrade Minor Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	No evidence Training Needs Analysis of individual employees being conducted for all the employees.			
NC Objective Evidence:				
No evidence Training Needs Analysis of individual employees being identified base on their specific skill and competency.				
Lead Auditor Signature: 		Client Signature: 		
Root cause Analysis (to be filled by client):				
Analysis of training needs for all levels of employees not available				
Corrective action planned (to be filled by client):				
Prepare a training needs analysis before deciding to make the training program				
Preventive Action (to be filled by client):				



Officials responsible carrying out training needs analysis based on the functions and jobs available	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 

Company Name	FELDA GUGUSAN JENGKA 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/06	Date Detected	5 th September 2018
Site(s) concern	Jengka 22	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.4.6.3 Major downgrade Minor A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence of continuous training programme be planned and implemented.		
NC Objective Evidence: No continuous training program for 2018 based on SOP: Prosedur Kemampuan, Kesedaran dan Latihan, No Doc: SOP/JPLDG/PKKDL/1, Rev 1 dated 1 st November 2017 is available in order to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.			
Lead Auditor Signature: 		Client Signature: 	
Root cause Analysis (to be filled by client):			




No evidence has been carried out and training provided to staff and workers	
Corrective action planned (to be filled by client):	
The training must be documented as proof of compliance	
Preventive Action (to be filled by client):	
Officials responsible for recording any training appointed	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 

Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/07	Date Detected	05 th September 2018
Site(s) concern	Jengka 21	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.1.3 Major downgrade Minor An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No environmental improvement plan is available during the audit.		
NC Objective Evidence:			
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.			



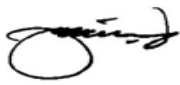

Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client):	
Environmental improvement program cannot be proven	
Corrective action planned (to be filled by client):	
Providing environmental improvement program	
Preventive Action (to be filled by client):	
Elected officials accountable for providing environmental improvement program	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 


Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MINOR/08	Date Detected	05 th September 2018	
Site(s) concern	Jengka 21	Target Completion	Next Surveillance Audit	
Normative Reference and Requirement	4.5.1.4 Major downgrade Minor A programme to promote the positive impacts should be included in the continual improvement plan.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			


Description of Non-Conformity	No programme to promote the positive impacts is available during the audit.		
NC Objective Evidence:			
There is no environmental improvement plan has been sighted in Jengka 21 Estate. Thus, no programme to promote the positive impacts has been included in the continual improvement plan.			
Lead Auditor Signature: 		Client Signature: 	
Root cause Analysis (to be filled by client):			
Environmental improvement program cannot be proven			
Corrective action planned (to be filled by client):			
Providing environmental improvement program			
Preventive Action (to be filled by client):			
Elected officials accountable for providing environmental improvement program			
Review of corrective/preventive action (to be filled by Lead Auditor)			
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.			
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date Verified: 09 th July 2020		Lead Auditor Signature: 	

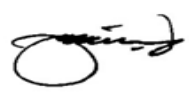

Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MINOR/09	Date Detected	05 th September 2018	




Site(s) concern	Jengka 21	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.1.5 Major downgrade Minor An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence is available during the audit.		
NC Objective Evidence:			
There is no awareness and training programme for environmental has been established and implemented in estate.			
Lead Auditor Signature: 		Client Signature: 	
Root cause Analysis (to be filled by client):			
No evidence of awareness and training programs related to the environment recorded			
Corrective action planned (to be filled by client):			
The program of environmental awareness and training is included in the annual training program			
Preventive Action (to be filled by client):			
Any program environment-related training conducted and recorded without fail by a responsible officer			
Review of corrective/preventive action (to be filled by Lead Auditor)			
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.			
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date Verified: 09 th July 2020		Lead Auditor Signature: 	


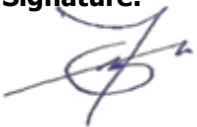

Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/10	Date Detected	05 th September 2018
Site(s) concern	Jengka 21	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.1.6 Major downgrade Minor Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence is available during the audit.		
NC Objective Evidence:			
No evidence that estate has conducted regular meeting with the settlers and workers concerning environmental quality.			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
Discussion on environmental concerns cannot be proven			
Corrective action planned (to be filled by client):			
Record any form of discussion on the environment			
Preventive Action (to be filled by client):			
Appointment of officers responsible for recording all the talk about the environment			
Review of corrective/preventive action (to be filled by Lead Auditor)			
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.			

NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 

Company Name	FELDA – Gugusan Jengka 21		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-C2-MSPO-2018		
NC No. / Ref.	C2/MSPO/MINOR/11	Date Detected	05 th September 2018
Site(s) concern	Jengka 21	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.5.2.1 Major downgrade Minor Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence is available during the audit.		
NC Objective Evidence:			
There is no evidence that estate has been monitored of fuel usage for transportation.			
Lead Auditor Signature: 		Client Signature: 	
Root cause Analysis (to be filled by client):			
No evidence of the use of diesel for annual monitoring of the operation			
Corrective action planned (to be filled by client):			

Record the consumption of diesel used for monthly	
Preventive Action (to be filled by client):	
Clerk is responsible for monitoring and recording the use of diesel to all vehicles	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 

Company Name	FELDA – Gugusan Jengka 21			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-C2-MSPO-2018			
NC No. / Ref.	C2/MSPO/MINOR/12	Date Detected	05 th September 2018	
Site(s) concern	Jengka 21	Target Completion	Next Surveillance Audit	
Normative Reference and Requirement	4.5.2.2 Major downgrade Minor The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	No evidence is available during the audit.			
NC Objective Evidence:				
There is no estimate of the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.				

Lead Auditor Signature: 	Client Signature: 
Root cause Analysis (to be filled by client):	
No diesel consumption estimates for 2018 can be proved	
Corrective action planned (to be filled by client):	
Creating a budget diesel consumption for the current year	
Preventive Action (to be filled by client):	
Ensure that the diesel budget is in line with production estimates of FFB	
Review of corrective/preventive action (to be filled by Lead Auditor)	
Evidence has been verified during the audit. Action taken has been satisfactorily done by the management.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 09 th July 2020	Lead Auditor Signature: 

Appendix C: List of Stakeholders Contacted

Attendance List

Internal Stakeholders

- 1) Office Staff – Noraiha Binti Mohamad Alias
- 2) Mat Sudin Bin Jaafar - Mandore
- 3) Che Hashim Bin Kadir – Lorry Driver
- 4) Mahadi Bun Othman – FFB Harvester
- 5) Mohd Rusli Bin Ismail – Tractor driver

External Stakeholders

- 1) En. Mat Ghani Md. Nor (Former Village head)
- 2) En. Abdul Hamid Bin Yusof (Villages)