

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

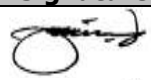


CERTIFICATION AUDIT REPORT


Part 4: General Principles for Palm Oil Mills

FELCRA Jaya Samarahan Sdn Bhd
Kilang Kelapa Sawit Samarahan

- Individual Certification -

ANNUAL SURVEILLANCE AUDIT 02
18th January 2021 – 19th January 2021

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	16/02/2021	Issued as Draft Report	Muhammad Syafiq bin Abd Razak	Lead Auditor	
B	28/02/2021	Issued as Final Report	Muhammad Syafiq bin Abd Razak	Lead Auditor	
B	03/03/2021	Final Report Approved	Md. Jefri bin Shara'ai	Certifier	

Acknowledgment by FELCRA Jaya Samarahan Sdn Bhd					
Rev	Date	Description	Management Representative	Role	Signature
B	03/03/2021	Acceptance of the contents	Mr. Ng Geok Tsong	Mill Manager	

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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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 FELCRA Jaya Samarahan Sdn Bhd. During this Annual Surveillance Audit (ASA 2), the audit team were briefed by mill management, of the supply base disposition. The source of FFB supplies to Kilang Kelapa Sawit Samarahan are 100% from out-grower and other smallholders.

This assessment was conducted onsite on 18th January 2021 – 19th January 2021 to assess the compliance of the certification unit against the “MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills”. The scope of certification is “Production Of Sustainable Crude Palm Oil And Palm Kernel”.

1.2 Company details and Contact information

Company Name	FELCRA Jaya Samarahan Sdn Bhd
Business Address	A-3A-1, Megan Avenue 1, 189, Jalan Tun Razak, 50400, Kuala Lumpur, Malaysia.
Contact Person	Mr. Cham Tian Hoong
Office Telephone	+603 2166 0333 / 1666
E-Mail	fjsamarahan@gmail.com

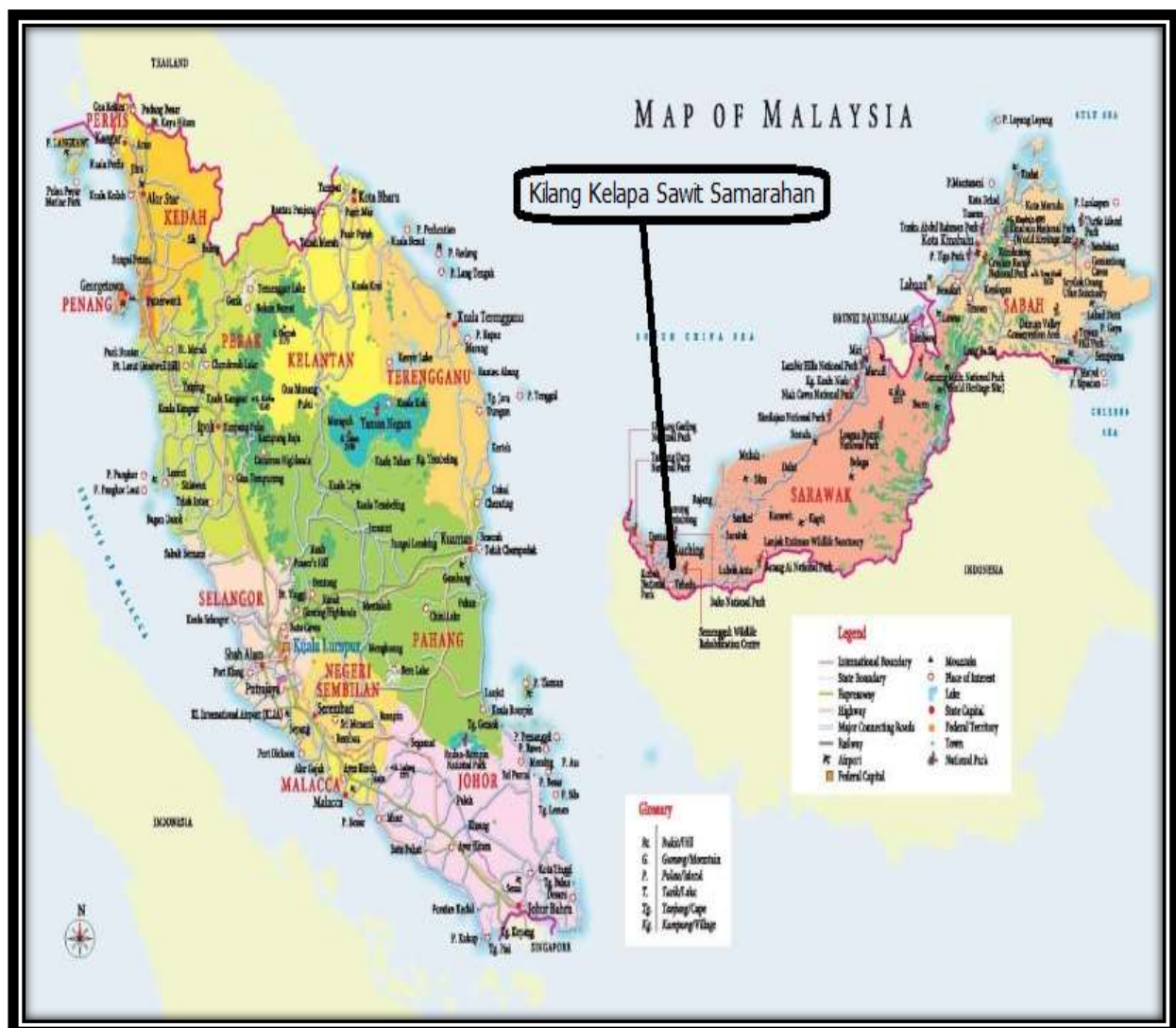
1.3 Certification Unit

Name of the Certification Unit	Kilang Kelapa Sawit Samarahan		
Mill Capacity (MT/HR)	60		
Site Address	Lot 2028, Blok 5, Jalan Endap, 94300 Kota Samarahan, Sarawak.		
GPS Reference of the site office	Longitude	E 110.455494	
	Latitude	N 1.390412	
MPOB License Information	License No.	565558004000	

	Scope of Activity Expiry Date	<ol style="list-style-type: none"> 1. "Menjual dan Mengalih – PK, CPO, SPO, FFB" 2. "Membeli dan Mengalih – FFB, PK, CPO" 3. "Menyimpan – PK, CPO, SPO" 4. "Mengilang FFB" 31 st October 2021
Others Sustainability Certification	MSPO SCCS	

1.4 Map Showing Geographical Location

1) Kilang Kelapa Sawit Samarahan



1.5 Production Area, Actual and Projected FFB Production (MT)**Production for Certified Unit**

Kilang Sawit Samarahan	Projected from last audit [Aug 2019-Jul 2020]	Actual Production for 12 Months [Jan 2020 – Dec 2020]	Projected Production for next 12 Months [Jan 2021 – Dec 2021]
FFB Summary (MT)	200,884.75	294,387.29	314,387.29
CPO Summary (MT)	39,775.18	57,412.98	60,362.30
PK Summary (MT)	8,638.04	13,092.02	13,561.92

FFB's Certified Estate

Production for Uncertified Unit

Kilang Sawit Samarahan	Projected from last audit [Aug 2019-Jul 2020]	Actual Production for 12 Months [Jan 2020 – Dec 2020]	Projected Production for next 12 Months [Jan 2021 – Dec 2021]
FFB Summary (MT)	86,093.47	75,093.47	64,093.47
CPO Summary (MT)	17,046.511	15,105.29	12,361.59
PK Summary (MT)	3,702.02	3,406.64	2,523.10

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 4: General Principles for Palm Oil Mills

Certificate number

GGC-FJS001-MSPO-01-2018

Initial certificate issued date26th October 2018**Certificate expiry date**25th October 2023

Stage 1 assessment date	07 th August 2018
Stage 2 / Main Assessment	07 th September 2018 – 08 th September 2018
Annual Surveillance 1 [ASA 1]	27 th August 2019
Annual Surveillance 2 [ASA 2]	18 th January 2021 – 19 th January 2021
Annual Surveillance 3 [ASA 3]	Aug 2021
Annual Surveillance 4 [ASA 4]	Aug 2022

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: **Muhammad Syafiq bin Abd Razak**

Graduate in plantation management with more than 7 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as Lead Auditor/Auditor in several certification programme. Involved in RSPO and MSPO assessment since 2014. Involved in audits conducted in for many different companies in Malaysia, Indonesia, Australia, Pakistan, India, Arab Saudi and Ivory Coast. Completed and certified MSPO Auditor course in 2014 (3rd Batch) held by MPOB. Member of GGC MSPO audit team.

Experienced in handling mineral and peat soil oil palm estate. Knowledgeable in chemical in control of weeds and pest & disease in Oil Palm Plantation sector. Understanding in Industrial relation and labour law. Attended OSH Act 1994 & Regulations and Factories & Machinery Act 1967 & Regulations Training. Participated in Workshop for Oil Palm Growers on Peat at Bogor, Indonesia. Completed and attended Social Impact Assessment Training at Bogor, Indonesia organized by Remark Asia. Also, has attended training for RSPO GHG calculation on year 2015 in Kuala Lumpur.

During this assessment, he assessed on the aspect of Transparency, Legal Requirements and Environment, Natural Resources, Biodiversity and Ecosystem Services, Safety and Health, Social, Stakeholder's Consultation, Workers Welfare, Best Practices and etc. He is able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Mohd Azmi Samynathan bin Abdullah**

Mohd Azmi holds an MBA majoring in Human Resource Management, Bachelor of Business in Business Administration, Diploma in Human Resource Management and Certificate in Agriculture from University of Western Sydney, RMIT University, Australia, University Malaya and Institut Pertanian Semenanjung Malaysia respectively.

He has vast experience in the field of Human Resource Management spanning more than two decades in the manufacturing industry. Prior to this he held various key management positions in Human Resource & Administration with several multinational companies. Azmi has extensive hands-on experience in recruitment and selection of Foreign Labour, managing conciliation meetings at the Labour and Industrial Relations Department, handling employee disciplinary issues, employee welfare, developing, reviewing & updating human resource policies and procedures. He has been advising management teams throughout his career on requirements of the Labour Laws. Further, Mohd Azmi, is a Panel Member to Industrial Relations Court representing the employers appointed by the Minister of Human Resources.

Besides his vast experience in HRM, Azmi is also an experienced auditor in second and third-party auditing system. Fully trained in ISO 9001:2008 (Quality Management System) Lead Auditor Course and successfully completed MSPO, MSPO- SCCS (endorsed by MPOCC) and RSPO Auditors Training Course. He is a member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Management commitment & responsibilities, Safety and Health, Social, Stakeholder's Consultation, Best Practices and etc. 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). The sampling was calculated and determined prior to the audit assessment. In the case of this certification unit, sampling calculation was not applied as there is only one palm oil mill, namely "Kilang Kelapa Sawit Samarahan".

The assessment activities include of documents review and interview the workers. 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 observation of tasks and processes, interviews of internal 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. Internal stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

The Prime Minister, Tan Sri Muhyiddin Yassin did announce that the Recovery Movement Control Order (RMCO) ended 31st December 2020 has been extended for a period of 01st January 2021 - 31st March 2021 and at the same time the government has announced Conditional Movement Control Order (CMCO) for Sarawak, starting on 13th January 2021 until 26th January 2021.

With reference to the 1st Federal Government Gazette (9th June 2020), Prevention and Control of Infectious Diseases (Measures Within Infected Local Areas) (No. 7) Regulations 2020, Certification for Agri Commodities was not included in prohibited activities.

Majlis Keselamatan Negara (MKN) had issued the 1st Standard Operating Procedure for "Persijilan bagi Agrokomoditi" dated 12th June 2020 which need to be complied during the audit process by both parties, the Certification Body and clients.

Refer to Circular for Malaysian Sustainable Palm Oil (MSPO) Certification Scheme in lieu of Covid 19 Outbreak issued by MPOCC, MPOCC will be allowing the postponement of field audit activities up to 3 months to support government directives to mitigate the spread of the disease. This facility has expired the annual audit period on 25th October 2020. Based on the risk assessment that has been made and processed by the GGC, this facility has been given approval to postpone the audit for 3 months by MPOCC as Scheme Owner.

Also, refer to the Version 2 Updated Circular (27th October 2020) of Guidance on Remote Audits due to Covid 19 Pandemic Restrictions, MSPO Audit can be choose to be conducted remotely. Thus, with latest announcement by Malaysian Government for status of Conditional Movement Control Order (CMCO) for Sarawak, starting on 13th January 2021 until 26th January 2021, the facility chooses to perform a remote audit. Based on the risk assessment that has been made and processed by the GGC, the audit conducted by using the platform skype and google drive.

1.9 Audit Plan Information

Audit Date	18 th January 2021 – 19 th January 2021
Name of site(s) visited	Kilang Kelapa Sawit Samarahan
Total number of man-days spent	3 man-days

1.10 Audit Result Summary Findings

Findings category		
Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No action requires
Minor Nonconformities	0	No action requires
Area of Concern	0	No action requires
Noteworthy /Positive Comments	7	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 2), 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 mill 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 is 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.	Stakeholders A (General Workers)	<ul style="list-style-type: none"> • Good understanding about MSPO. • They are very happy with the management and hopes to extend their contract. • They have good understanding about complaint and grievance mechanism. • PPE given by company – free. • They confirmed wages are being paid more than the Minimum Wage Order 2020 of RM1, 100.00 per month and no issue on wages received as well as the deductions made. 	No action requires	Positive findings
1.	Stakeholders B (Workshop)	<ul style="list-style-type: none"> • They have good understanding about MSPO. • They have good understanding about complaint and grievance mechanism. 	No action requires	Positive findings

		<ul style="list-style-type: none"> • PPE given by company – free. • They were treated equally with no discrimination based on gender. • They confirmed wages are being paid more than the Minimum Wage Order 2020 of RM1, 100.00 per month and understand all the deductions being made. 		
3.	Stakeholders C (Contractors/ Suppliers)	<ul style="list-style-type: none"> • They have good understanding about MSPO. • They informed that the payments were made promptly without any delay. Contract agreement were signed prior commencement of work. • They were aware that any complaints or suggestions could be forwarded to the estate management. • The company has good relation with supplier and there is no issue with company's performance. 	No action requires	Positive findings
4.	Stakeholders D (Mill - Gender Committee Representatives)	<ul style="list-style-type: none"> • There was no discrimination, sexual harassment or violence case reported thus far. • The Management is quite supportive on the Committee activities. 	No action requires	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 Kilang Kelapa Sawit Samarahan. Mill 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 2).

This report will be internally reviewed for certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) not required. During Annual Surveillance Audit (ASA 2), based on MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles For Palm Oil Mills, there were no non-conformity has been raised to the facility that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted was no major non-conformity findings. Therefore, the Lead Auditor recommends to continuing a certificate of compliance "MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles For Palm Oil Mills" to Kilang Kelapa Sawit Samarahan.

1.13 Date of Next Surveillance Audit

The first annual surveillance assessment visit will be scheduled after 9-12 months of the MSPO Certificate being issued.

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
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
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 Policy for the implementation of MSPO shall be established.

Summary

Felcra Jaya Samarahan Sdn Bhd (FJSSB) has established the MSPO Policy named "Polisi Perlaksanaan Dan Komitmen Terhadap MSPO" dated 22nd June 2019 approved by Mr. Liew Teen Chai, Managing Director.

The policy clearly states that Felcra Jaya Samarahan Sdn Bhd as a responsible palm oil producer is committed to sustainable development & continuous improvement on plantation & milling operations through the implementation of MSPO standards and principles as follows:

1. Management commitment and Responsibility
2. Transparency
3. Compliance to Legal Requirements
4. Social Responsibility, Health, Safety and Employment conditions
5. Environment, Natural Resources, Biodiversity and Ecosystem Services
6. Best Practices

The above policy was communicated to internal and external stakeholders via several stakeholders meeting. Given below are the details of the said meetings:

- External Stakeholders meeting
Date: 10/8/2020, 15/9/2020, 17/9/2020 and 24/9/2020
Venue: Meeting Room, Felcra Jaya Samarahan Sdn Bhd Palm Oil Mill
Time: 10.00 am 11.30 am
Attendance: 21 persons, 14 persons, 6 persons and 6 persons respectively.
- Internal Stakeholders meeting/Awareness Training
Date: 13/8/2020
Venue: Crude Palm Oil Despatch Bay
Time: 5.00pm

Sighted invitation to Stakeholders meeting & discussion and Internal Memo to External stakeholders and company employees respectively for the meetings.

As per interview (via Skype) with Mr. Ryan Raymond, Engineer and Pn Nurul Izati, Admin Clerk, the management have displayed the policies on the notice boards at the main office and the Guard House for the internal (employees) and external (Suppliers/Contractors) Stakeholders viewing and reading.

Sighted attendance sheets and photographs as evidence of the said meetings.

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

Indicator 2 The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.

Summary Felcra Jaya Samarahan Sdn Bhd (FJSSB) has established the MSPO Policy named "Polisi Pelaksanaan Dan Komitmen Terhadap MSPO" dated 22nd June 2019 approved by Mr. Liew Teen Chai, Managing Director.

The company has clearly emphasized on the commitment to continual improvement with the objective of improving the milling operation in the said policy. This is clearly stated in the MSPO policy in para 1 and 8 of the said policy.

- Para 1
"Felcra Jaya Samarahan Sdn Bhd is committed to complying with and implementing all regulatory requirements and new requirements of the MSPO by adhering to the principles of the MSPO"
- Para 8
"Our goal is to ensure sustainable palm oil production based on continuous improvement and a systematic approach"

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 Internal Audit Plan dated 22nd May 2019 prepared by Mr. Ryan Raymond, Engineer and approved Mr. Ng Geok Tsong, Mill Manager.

As per interview with Mr. Ryan Raymond, Engineer (via video call) the frequency of Internal Audit is once a year.

The Internal Audit was carried on the 28th and 29th July 2020 by consultant appointed by the management. The details are as follows.

- Lead Auditor
En. Tuan Amiruddin bin Tuan Sulaiman (Consultant)
- Audit Team Member
En. Muhd Haris Abdullan (Consultant)
- Non-Conformities
The Internal Audit has identified One (1) Non-Conformity.
- Given below is non-conformity.
Scheduled waste was not disposed as per the developed SOP which exceeded 180 days. First generated date 14/10/2019.

- All Non-conformity were duly closed.

In Compliance ☒ **Yes** ☐ No ☐ 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 Felcra Jaya Samarahan Sdn Bhd (FJSSB) has established Internal Audit Procedure Doc No: FJS/MSPO-2, dated 1st Jan 2018 prepared by Mr. Ryan Raymond, Engineer and approved Mr. Ng Geok Tsong, Mill Manager.

Sighted the action taken by the company to close the non-conformity raised by the Internal Audit team and subsequently the non-conformity was duly closed.

Given below is the sampled non-conformity raised by the Internal Auditors and the corrective action taken to close them.

No	Findings	Proposed Corrective Action/Closed By
1	Schedule waste has been planned to be disposed on April 2020. Due to the implementation of Movement Control Order for COVID 19, Scheduled Waste transporter and collector halt operations. Responsible person overlooks of request of scheduled waste storing extension period due to hectic mill operation during the situation.	<p>1. To obtain contractor for disposal of schedule waste Action by Mr Ryan & Store Attendant Target Date 28/8/2020</p> <p>2. To dispose schedule waste Action by Mr Ryan & Store Attendant Target Date 28/8/2020</p> <p>3. To train Store Attendant on Schedule Waste Management. Action by Mr Ryan Target Date 28/8/2020</p>

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

Indicator 3 Reports shall be made available to the management for their review.

Summary Sighted Internal Audit Report Doc No: IA-1/2020 Rev No: 01 dated 30th July 2020 prepared by En. Tuan Amiruddin bin Tuan Sulaiman and approved Mr. Ng Geok Tsong, Mill Manager.

In Compliance ☒ **Yes** ☐ No ☐ 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 Felcra Jaya Samarahan Sdn Bhd has established Management Review Procedure Doc No: FJS/MSPO-3 dated 1/1/2018 prepared Mr. Ryan Raymond, Engineer and approved Mr. Ng Geok Tsong, Mill Manager.

The purpose of this procedure is to describe the internal audit process conducted regularly by Felcra Jaya Samarahan Sdn Bhd Internal Auditors to determine Felcra Jaya Samarahan Sdn Bhd Mill's operations procedures are effectively implemented to meet the requirements of MSPO standards.

Sighted Management Review Meeting dated 7th August 2020 held in Felcra Jaya Samarahan Sdn Bhd Mill's Meeting Room chaired by Mr. Ng Geok Tsong, Mill Manager. Given below are the details of the said meeting.

- Date : 4/10/2020
- Venue : Mill Meeting Room
- Attendance : 12 persons
- Agenda
 - i. Introduction and welcoming by Mr Cham Tian Hoong (General Manager)
 - ii. Internal Audit Report
 - iii. Cause of Non-Conformity
 - iv. Action Plan for Non-Conformity
 - v. Progress of Action Plan
 - vi. Date confirmation of Surveillance Audit by Certification Body
 - vii. Preparation for Surveillance Audit
 - viii. Stake Holder Meeting
 - ix. Traceability & Supply Chain Certification Standard
 - x. Internal Stakeholder's Awareness
 - xi. Question & Answer
 - xii. Closing

Sighted Photographs and attendance for the said meeting. (Via document uploaded in Google Drive).

In Compliance ☒ **Yes**

☐ **No**

☐ **Not Applicable**

Criterion 4 Continual improvement

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

Summary Sighted the Continual Improvement Plan (CIP) for the year 2020/2021 dated 10th February 2020 prepared Mr Ryan Raymond, Engineer and approved Mr. Ng Geok Tsong, Mill Manager. The company has divided its CIP programme into two (2) areas namely Social and Environment.



The company has identified five (5) areas under the social and twenty-four (24) areas for improvement under the Environment for the CIP programme.

Given below are some sampled CIP programme identified under Social and Environment.

Arising Matters	Improvement Plan	Target To Complete
(Social) Road Conditions <ul style="list-style-type: none"> • Aspect Road Conditions With Potholes • Impact Harsh Condition For Staff/Workers Vehicle 	To Pave Road With Concrete	31/12/2020
(Social) Electric Supply <ul style="list-style-type: none"> • Aspect Unstable Electric Supply During Change Over From SESCO To Steam Turbine • Impact Unstable Electric Supply Can Cause Electrical Appliance Faulty 	To Supply Staff Quarters With Automatic Voltage Regulator For Electrical Appliances And Installation Of Transformer For Current Stabilization	31/12/2020
(Environmental) Threshing Process <ul style="list-style-type: none"> • Aspect Loud Noise From Rotating Machine • Impact Noise Pollution 	To Replace Thresher Roller, Loud Noise Is Due To Worn Out Roller Causing Vibration During Rotation	31/12/2021
Pressing Sterilized Fruitlets <ul style="list-style-type: none"> • Aspect Crude Oil Leakage • Impact River Pollution 	Production Drainage System To Direct Any Leakage To Sludge Pit	31/12/2021

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

Indicator 2 The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.

Summary Felcra Jaya Samarahan Sdn Bhd has installed the Bio-Gas Captured Plant by Covered Lagoon Digester.

This installation will

- i. Reduce release of Green House Gas into the atmosphere by Anaerobic Digestion Process of Effluent.
- ii. Provide more fuel for Boiler as Additional Fuel Option for Boiler.

The training for the above was conducted by En. Nazul from Cenergi Sdn Bhd.

The details of the training are as follows:

- Training Title: Biogas Trap Safety & Operations Briefing and training.
- Trainer: En Nazul
- Company: Cenergi Sdn Bhd
- Date: 19/9/2020
- Venue: Meeting Room

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 adequate information to other stakeholders on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.

Summary FELCRA Jaya Samarahan Sdn Bhd has established the Stakeholder Communication Procedure. Doc No:FJS/MSPO-6; Rev 1; Date 01/01/2018. Prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

The purpose of this procedure is to outline the arrangements for consultation and communication by Felcra Jaya Samarahan Sdn Bhd (mill management) with its relevant stakeholders and how their concerns and views are addressed.

Sighted stakeholders' meeting with:

1. Ocelat Consultant on 24/09/2020. Attended by 2 participants.
2. JTK on 24/09/2020. Attended by 2 participants.
3. FELCRA Urus Estet Sdn Berhad on 15/09/2020. Attended by 14 participants.

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 As per interviewed with Mr. Tunku Izani Ariff bin Tunku Fathahi (Mill Engineer), some of the documents publicly available and some of the documents need to get permission from HQ level.

Sighted the MEMO "Dokumen Untuk Paparan Umum" on 1st January 2018. The list of documents and classifications was maintained by the mill management.

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 FELCRA Jaya Samarahan Sdn Bhd has established the Stakeholder Communication Procedure. Doc No:FJS/MSPO-6; Rev 1; Date 01/01/2018. Prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

The purpose of this procedure is to outline the arrangements for consultation and communication by FELCRA Jaya Samarahan Sdn Bhd (mill management) with its relevant stakeholders and how their concerns and views are addressed.

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

Indicator 2 The management shall nominate management officials at the operating unit responsible for issues related to Indicator 1 (4.2.2.1).

Summary Sighted an appointment letter of Puan Nurul Izzati bin Azmi (Admin Clerk) as person in charge for communication and consultation matters. The letter dated 1st June 2020, signed by Mr. Ng Geok Tsong, (Mill Manager).

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

Indicator 3 A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.

Summary Sighted latest stakeholder list for Kilang Kelapa Sawit Samarahan updated on 11th January 2021. Prepared by Puan Nurul Izzati bin Azmi (Admin Clerk) and approved by Mr. Ng Geok Tsong, (Mill Manager).

- a) Government / Statutory Bodies
 - Malaysian Palm Oil Board (MPOB)
 - Department of Safety and Health (DOSH)
 - Department of Labour (JTK)
 - Department of Environment (DOE)
 - Fire and Rescue Department of Malaysia
 - Social Security Organisation (SOCSO)
 - Balai Polis Kota Samarahan
 - Klinik Kesihatan Kota Samarahan

- b) Non-Governmental Organisation (NGO)
 - Persatuan Pencinta Alam Malaysia Malaysian Nature Society (Cawangan Kuching, Sarawak)
 - Bulan Sabit Merah Malaysia Malaysian Red Crescent (Cawangan Sarawak)
- c) Service Providers / Contractors / Suppliers
 - Yong CL Trading & Services
 - YTH Industries Suppliers
 - Honta Hardware Enterprise
 - Megatech Multi Industrial (S) Sdn Bhd
 - Dynakimia Sdn Bhd
 - Zhe Ming Engineering Works
 - Bestrode Sdn Bhd
 - HJ Development Sdn Bhd
 - Verde Engineering
 - Kejuteraan Letrik Etara (Sabah) Sdn Bhd
 - Living Fount
 - GVE Strategic Waste Sdn Bhd
 - DNS Waste Management Sdn Bhd
- d) Approved Transporter List
 - B.S.S.K Enterprise
 - Dynamic Linkage Logistic Sdn Bhd
 - Swee Joo Coastal Shipping Sdn Bhd
- e) Approved Refinery List
 - Kuching Palm Oil Industries Sdn Bhd
 - Kirana Palm Oil Refinery Sdn Bhd
 - Sepang Dynamics Sdn Bhd
- f) Approved Certified Supplier List
 - Bravo Green Sdn. Bhd
 - Felcra Berhad Sarawak
 - Besrichas Sdn Bhd
 - Protoreka Perunding Sdn Bhd
 - Gemilang Bumimas Sdn Bhd
 - Wintrip Subcon Sdn Bhd
 - Salleh Bin Kamis
 - Abdul Rahman Bin Enjah
 - Bujang Bin Mohd Japar
 - Albanio Anak Paduk

- Annuar Anak Saban

g) Surrounding Mill

- Sekolah Kebangsaan Endap
- Ketua Kampung Kampung Endap
- Ketua Kampung Kampung Meranek
- Ketua Kampung Kampung Pinang
- Ketua Kampung Kampung Tanah Puteh
- Ketua Kampung Kampung Mang
- Ketua Kampung Kampung Empila

h) Mill Community / Mill Representatives

- Women's Committee Chairman
- Temple Committee Chairman
- Surau Committee Chairman

The requests made will be processed / approved by Mill Manager or Assistant Manager. Sighted the above request and others as stated in the log book effectively responded by mill management.

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

Criterion 3 Traceability

Indicator 1 The management shall commit itself to implement and maintain the requirements for traceability and shall establish a standard operation procedure for traceability.

Summary FELCRA Jaya Samarahan Sdn Bhd has established the Traceability Procedure. Doc No:FJS/MSPO-7; Rev 1; Date 01/01/2018. Prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

Covers all activities from receiving, processing and storing the sustainable raw material (FFB) to dispatching the sustainable products (CPO and PK) to the customers. The requirements for traceability are applicable to company that take legal ownership and physically handle MSPO certified products throughout the palm oil supply chain.

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

Indicator 2 The management shall conduct regular inspections on compliance with the established traceability system.

Summary A regular inspection on compliance with the established traceability system is through the daily summary of incoming FFB records and will be verified in internal audit.

Sighted last internal audit report is covering Traceability elements. Internal Audit done on 28th July 2020 -29th July 2020.

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

Indicator 3 The management shall identify and assign suitable employees to implement and maintain the traceability system.

Summary The person in charge for traceability agenda is led by Puan Noor Hashimah binti Husaini (Office Clerk) and appointed on 1st January 2020 by Mr. Ng Geok Tsong, (Mill Manager).

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

Indicator 4 Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.

Summary Purchases and sales will base on demand and has agreeable documentation with the supplier. Sighted CPO/PK sales as per in their online system. The mill has good system for tracking the movement of FFBs. The mill recorded all FFB received, FFB Processed, CPO & PK Produced and CPO & PK Stock Position in their system.

Seen the records of sales, delivery or transportation of FFB. This record being maintained and the documents are kept by the both site (estate and mill).

FFB Received

- Supplier: Kumpulan Kris Jati Sdn Bhd
- Date Delivery: 30/12/2020
- Weighbridge Ticket No: 383400
- MSPO No: SGS-MSPO-MY19/1811030082
- Validity Date: 19/07/2019-15/07/2024
- Transporter: Sri Utama
- Driver name: Hipni bin Merdan
- Weight: 17.57 MT

CPO Sold

- Buyer: Kuching Palm Oil Industries Sdn Bhd
- Date Delivery: 30/12/2020
- Weighbridge Ticket No: 60515
- Contract No: FJS/069/20CPO
- Driver name: Mohd Firdaus Abdullah
- Weight: 39.75 MT
- Module: Mass Balance
- Certificate Date SCCS: GGC-FJS001-MSPOSCCS-00-2019
- Validity Date: 02/10/2019-01/10/2024
- Certificate Date Part 4: GGC-FJS001-MSPO-00-2018
- Validity Date: 26/10/2028-25/10/2023

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

2.3 Principle 3 : Compliance to legal requirements

Criterion 1 Regulatory requirements

Indicator 1 All operations shall be in compliance with applicable local, national and ratified international laws and regulations.

Summary Sighted the MSPO Procedure on legal requirement register, doc no; FJS/MSPO-4, rev; 01, dated on 1st January 2018. List of ratified international laws and applicable regulations was documented in Legal Register file.

Kilang Kelapa Sawit Samarahan has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations. Inspection of records showed that the mill has comply with legal and statutory requirements as per the following:

1. MPOB licenses No 565558004000 expiries 31.10.2021.
2. Fire Certificate, valid from 11.04.2020 until 10.04.2021.
3. Lesen timbang dan sukat (Akta Timbang & Sukat 1972), expired on 27.07.2021 (B434934930), and 26.10.2021 (B519906516).

List of legal correspondences permits/licenses will be updated by Puan Stella Morliza Anak Wilfred (Chief Clerk). The letter of appointment for Puan Stella Morliza Anak Wilfred (Chief Clerk) as person in charge of legal requirement compliance has been signed by the Mill Manager, Mr. Ng Geok Tsong.

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

Indicator 2 The management shall list all relevant laws related to their operations in a legal requirements register.

Summary The list of legal & requirement register covers the details requirements that related to MSPO compliance. List & summary of applicable laws and regulations that are applicable for the Mill is updated by Puan Stella Morliza Anak Wilfred (Chief Clerk), verified by the Mill Manager, Mr. Ng Geok Tsong.

Some of applicable laws includes:

1. Prevention and Control of Infectious Diseases Act 1988, Act 342
2. Occupational Safety and Health Act 1994 (Act 514)
3. Environmental Quality Act 1974 (Act 127)
4. Environmental Quality Act (Scheduled Waste Regulations) 2005
5. Factories and Machinery Act with regulations 1967 (Act 139)
6. Kementerian Perdagangan Dalam Negeri
7. MPOB Act 1998 (Act 582)
8. Road Transport Act 1987 (Act 333)
9. Employees Social Security Act 1969 (Act 4)
10. Industrial Relations Act 1967 (Act 177)
11. Trade Union Act 1959 (Act 262)
12. Employees Provident Fund 1991 (Act 452)
13. Children and Young Persons (Employment) Act 1966 (Act 350)

14. Employment Act 1955 (Act 265)
15. Electricity Supply Act 1990 (Act 447)
16. Petroleum (Safety Measures) Act 1984 (Act 302)
17. Malaysian Anti-Corruption Commission (Amendment) Act 2018
18. Weights and Measures Act 1972 (Act 71)
19. Passport Act 1966 (Act 150).
20. Industrial Relations Act and Regulations (Act 177)
21. Workman Compensation Act 1952 (Act 273)
22. Street, Drainage and Building Act 1974 (Act 133)
23. Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446)
24. Minimum Wages Order 2020

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 Based on interview with Mr. Tunku Izani Ariff bin Tunku Fathahi (Mill Engineer) that Puan Stella Morliza Anak Wilfred (Chief Clerk) will update any new amendments or any new regulations received from the following sources:

- HQ Department
- Communication with law/enforcement officers
- Website

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 Sighted an appointment letter of Puan Stella Morliza Anak Wilfred (Chief Clerk) as person in charge for monitor compliance and to track update the changes in regulatory requirements matters. The letter dated 1st June 2020, signed by Mr. Ng Geok Tsong, (Mill Manager).

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

Criterion 2 Land use rights

Indicator 1 The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.

Summary The mill is located on lot 2028, Block 5 Samarahan Land district with hectareage of 20.7 ha. The land is fully owned by FJS. The company pay the rent amount of RM 6,435 per year.

Evidence of annual payment of land tax and quit rent to the state government is available in the form of receipt.

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

Indicator 2 The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.

Summary The mill was built on its own land title lot 2028, Block 5 Samarahan Land district with hectarage of 20.7 ha. Sighted:

Syarat-syarat Nyata: "Tanah yang diberi milik ini hendaklah di gunakan semata-mata bagi kawasan perusahaan kilang kelapa sawit dan mana-mana bangunan yang didirikan hendaklah ada kaitan dengan perusahaan tersebut."

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

Indicator 3 Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.

Summary The mill was built within its own land title area, the permanent fence had been constructed to demarcate the vicinity of the mill area.

Legal parameter boundary markers were clearly demarcated and visible during the audit. 33 boundary markers were established.

Among the boundary marker were sighted:

- 01°23'23.59"N, 110°27'13.69"E
- 01°23'23.40"N, 110°27'18.34"E
- 01°23'23.55"N, 110°27'22.91"E
- 01°23'20.63"N, 110°27'20.54"E
- 01°23'21.34"N, 110°27'16.16"E
- 01°23'36.47"N, 110°27'24.45"E
- 01°23'26.09"N, 110°27'24.73"E

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

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 As per mill is built within mill land title. Thus, no disputes have been recorded in mill area. There is no evidence of conflict present in this mill. 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 land 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 Mill area. There are also no land disputes or claims involving the land of the Mill as it was built within the land title of lot 2028 MP 8/27-37.

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

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

Summary As per mill is built within mill land title. There is no customary land in or surrounding the mill. There are also no land disputes or claims involving this mill area. 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 the relevant agreements should be made available.

Summary There no land conflict or dispute. The mill land titles and ownerships are legally identified and documented. The Palm Oil Mill is located within KKS Samarahan land under Lot No. 2028, Block 5 Samarahan Land District.

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 should be implemented to mitigate the negative impacts and promote the positive ones.

Summary Felcra Jaya Samarahan Sdn Bhd has carried out Social Impact Assessment dated 24/7/2020 prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager.

As per interview with Mr. Ryan Raymond, Engineer the SIA was carried out among the internal stakeholder where they are given the Social Impact Assessment Questionnaires to be completed. Before the commencing the Assessment, the stakeholders were given an awareness training/briefing to facilitate the SIA process.

The SIA has identified Positive and negative issues among the internal stakeholders. The management has implemented mitigation plan to mitigate the negative impacts and promote the positive ones.

Given below are some sampled issues raised in the Social Impact Assessment with the mitigation plan to mitigate the negative impacts and to promote the positive ones.

No	Social Factors/Issues	Mitigation Plan/Promote	Dateline
1	Kesedaran dan pengetahuan mengenai MSPO (Positive)	Melaksanakan latihan ulangan kepada semua petugas secara berperingkat	On going PIC Engineer
2	Hubungan antara syarikat dengan pihak berkepentingan adalah baik. (Positive)	Mengekalkan hubungan yang baik dengan melaksanakan aktiviti seperti Hari Keluarga, Sukan Kilang dan Aktiviti Kemasyarakatan	On going PIC Engineer
3	Hash Road condition especially during rainy days (Negative)	To pave road with concrete	31/12/2021 PIC Engineer
4	Unstable electricity supply causes electrical appliances faulty (Negative)	To supply Mill Staff quarters Automatic Voltage Regulator for electrical appliances for current stabilization	31/12/2021 PIC Engineer

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 Felcra Jaya Samarahan Sdn Bhd has established Complaints and Grievance Procedure dated 1st Jan 2018 Doc No: FJS/MSPO-8, Rev No: 02, prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager. Further, sighted Complaints and Grievance flow chart dated 1st Jan 2018 Doc No: FJS/MSPO-8, Rev No: 02.

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

Indicator 2 The system shall be able to resolves disputes in an effective, timely and appropriate manner, which is accepted by all parties.

Summary Felcra Jaya Samarahan Sdn Bhd has established Complaints and Grievance Procedure dated 1st Jan 2018 Doc No: FJS/MSPO-8, Rev No: 02, prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager. Further, sighted Complaints and Grievance flow chart dated 1st Jan 2018 Doc No: FJS/MSPO-8, Rev No: 02.

As per interview with Mr. Ryan Raymond, Engineer, all disputes, complaints and grievance are able to be resolved in an effective, timely and appropriate manner that is accepted by all parties with the existing Complaints and Grievance Procedure.

Note: No complaints were received for the year 2020

Given below are some sampled complaints for the year 2019:

1. COMPLAINANT
En MSS
Date: 5/7/2019
Complaint: Bahagian Process tidak ada Spanner Set
Action Taken: Pembelian Spanner Set bagi Bahagian process
Rectified Date: 8/8/2019
Approved by Mr. Ng Geok Tsong

2. COMPLAINANT
Mr LC
Date: 5/7/2019
Complaint: Multimeter Faulty
Action Taken: Purchase new multimeter
Rectified Date: 8/8/2019
Approved by Mr. Ng Geok Tsong

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 complaints.

Summary Felcra Jaya Samarahan Sdn Bhd has established Complaint Form Doc No: FJS/MSPO-8-1A, Rev No: 0, Ref No 24 for External and Internal Stakeholders. The complaint and grievance forms are available at Security Guard post at the office entrance.

The completed Complaint and Grievance are to be submitted to the respective PIC. Upon receiving the forms, the management will discuss with the respective heads of department/section and take action to rectify the issues raised. The complainant will be informed on the outcome of the complaint.

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

Indicator 4 Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.

Summary Felcra Jaya Samarahan Sdn Bhd has established Complaints and Grievance Procedure dated 1st Jan 2018 Doc No: FJS/MSPO-8, Rev No: 02, prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager. Further, sighted Complaints and Grievance flow chart dated 1st Jan 2018 Doc No: FJS/MSPO-8, Rev No: 02.

The above procedure was communicated to internal and external stakeholders via stake holders meeting. The details of the meetings are as follows.

- External Stakeholders meeting
Date: 10/8/2020, 15/9/2020, 17/9/2020 and 24/9/2020
Venue: Meeting Room, Felcra Jaya Samarahan Sdn Bhd Palm Oil Mill
Time: 10.00 am 11.30 am
Attendance: 21 persons, 14 persons, 6 persons and 6 persons respectively.
- Internal Stakeholders meeting/Awareness Training
Date: 13/8/2020
Venue: Crude Palm Oil Despatch Bay
Time: 5.00pm
Attendance: 50 persons

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

Indicator 5 Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.

Summary No Complaints and Grievance was recorded for the year 2020 as such NO Complaints and Solutions records for the past 24 months is available.

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

Criterion 3 Commitment to contribute to local sustainable development

Indicator 1 Palm oil millers should contribute to local development in consultation with the local communities. Where the mill is an integral part of a plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.

Summary Felcra Jaya Samarahan Sdn Bhd (FJSSB) has made some contributions to the surrounding communities.

Given below are some sampled contributions:

1. Donation of Frozen Meat to 133 factory workers in conjunction with Hari Raya Haji amounting RM3325.00. Sighted Payment Voucher No: 2007-009 as proof of payment.
2. Cattle donation in conjunction with Hari Raya Haji to the following villages.
 - Kampung Endap – RM5500
 - Kampung Tg Bundung – RM5500
 - Kampung Mang – RM5500
 - Kampung Meranek – RM5500
 - Kampung Pinang – RM5500

Sighted Payment Voucher No 2051 as proof of Payment.

3. Covid 19 relief programme for the nearby villages dated 6/4/2020. Given below are the details.
 - a. Kampung Endap – RM2500
Payment Voucher No: 1911 as proof of payment.

- b. Kampung Meranek – RM2500
Payment Voucher No: 1912 as proof of payment.

Kampung Pinang – RM2000. Payment voucher No: 1913 as proof of payment

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

Criterion 4	Employees safety and health
Indicator 1	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act139) shall be documented, effectively communicated and implemented.

Summary Felcra Jaya Samarahan Sdn Bhd has established Occupational Safety and Health Policy named "Polisi Keselamatan Dan Kesihatan Pekerjaan" dated 22nd June 2019 approved by Mr Liew Teen Chai, Managing Director.

The purpose of this policy is to ensure a safe and Healthy working environment for all employees in their daily operations.

The above policy was communicated to internal and external stakeholders via stake holders meeting. The details of the meeting are as follows.

- External Stakeholders meeting
Date: 10/8/2020, 15/9/2020, 17/9/2020 and 24/9/2020
Venue: Meeting Room, Felcra Jaya Samarahan Sdn Bhd Palm Oil Mill
Time: 10.00 am 11.30 am
Attendance: 21 persons, 14 persons, 6 persons and 6 persons respectively.
- Internal Stakeholders meeting/Awareness Training
Date: 13/8/2020
Venue: Crude Palm Oil Despatch Bay
Time: 5.00pm
Attendance: 50 persons

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

Indicator 2	The occupational safety and health plan shall cover the following:
	<p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:</p> <p>i) all employees involved are adequately trained on safe working practices; and</p> <p>ii) all precautions attached to products should be properly observed and applied.</p> <p>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).</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</p>



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 shall 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 that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.

h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.

i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.

j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.

Summary

Felcra Jaya Samarahan Sdn Bhd has established Occupational Safety and Health Policy named "Polisi Keselamatan Dan Kesihatan Pekerjaan" dated 22nd June 2019 approved by Mr. Liew Teen Chai, Managing Director.

This policy is displayed in the main office, workshop, Boiler house and Biogas plant for the employees to review.

Risk of all operations was assessed through HIRARC Sighted HIRARC dated 13/8/2019 which was conducted by

- Mr Ryan Raymond (Engineer)
- En Nazri Imah (Process Supervisor)
- Mr Benaldrin Ringgah (Foreman)
- Mr Jimmy Seli (Chargeman)

and approved by Mr Ng Geok Tsong, Mill Manager.

HIRARC sighted for the followings work operations:

1. Office & Weighbridge
2. Security and Gate Entrance
3. FFB Grading Yard and Loading Ramp
4. Sterilizer
5. Thresher
6. Press Station
7. Depericarper and Kernel Plant
8. Oil Clarification Room
9. Engine Room
10. Boiler Station
11. Water Treatment Plant
12. Effluent Treatment Plant
13. Biogas Capture Plant
14. Laboratory

15. Store and Chemical Store
16. Skid Tank
17. Mill Vehicle (Fork Lift)

Sighted training programme for employees exposed to chemicals and safe working practices at the palm oil mill.

Given below are some sampled training programmes conducted by FJSSB

No	Topic	Month	Status
1	Taklimat Keselamatan dan Bahaya di Kilang Kelapa Sawit	17 th August 2020	Done
2	Chemical Handling Training for the Laboratory, Chemical Store and Boiler employees.	20 th July 2020	Done
3	Schedule Waste Handling Training	10 th August 2020	Done
4	MSPO Standard Awareness Training	13 th August 2020	Done
5	Safe Operating Procedure & Safe Operating Procedure Training for "Pengendalian Sistem Penjana Biogas"	28 th August 2020	Done

Sighted training calendar for the year 2020, last reviewed: 4th January 2020.

Sighted PPE Issuance and replacement record for the year 2020 and 2021. The issuance is based on PPE issued to individual employees.

Given below are some sampled PPEs issued to the employees.

Date	Employee Name	PPE Issued
6/1/2020	Husnul (Workshop)	Leather Hand Gloves
2/1/2021	Akmal (Process A)	Safety Shoes
4/1/2021	Mohd Farizwan (Process A)	Safety Helmet
4/1/2021	Mohd Patiudin bin Ahmad (Process A)	Ear Plug

Felcra Jaya Samarahan Sdn Bhd has established Chemical Handling procedure Doc No: FJS/MSPO-10.4, prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager.

Sighted CHRA report dated 30th November 2015 conducted by En. Daud bin Adam, JKKP Reg No: JKKP HIE 127/171-2 (3530) from HT Consultants & Services. The CHRA

has revealed that 10 employees are exposed to chemicals and are to undergo medical surveillance. Given below are details of some sampled employees who have undergone the medical surveillance.

Name	Position	Date Of Medical Surveillance
Hairani bin Jokepli	Workshop Technician	30/9/2020
Ainur Mursyidah Syafiqah bt Julaihi	Lab Attendant	30/9/2020
Husnul Arifin	Workshop Technician	7/10/2020
Mohd Azrul bin Mokhtar	Lab Attendant	7/10/2020
Mohamad Alfizie bin Boject	Boilerman	30/9/2020

The medical Surveillance was conducted by Dr Anselm Su Ting, Occupational Physician, JKPP Reg No: HQ/10/DOC/00(161).

Sighted annual & baseline audiometric testing report dated 2nd November 2020 carried out by Ocelot OSH Sdn Bhd (291588-K). A total of 96 persons has undergone the Audiometric Testing. The Audiometric Testing was carried out in 4 sessions.

Given below are the details.

Date	Session	Number Of Participants
2/11/2020	Session 1 8.00 am – 10.00am	24
	Session 2 10.00 am – 12.00am	24
	Session 3 1.00 pm – 3.00am	24
	Session 4 3.00 am – 5.00am	24

The management has appointed Mr. Tunku Izani Arif bin Tunku Fathani, Mill Engineer as the person in-charge of employee safety vide letter dated 1st January 2020 approved by Mr. Ng Geok Tsong, Mill Manager.

Felcra Jaya Samarahan Sdn Bhd has establish the OSH Committee for regular two-way communication with their employees to discuss issues that are related to employees' safety, health and welfare. Sighted OSH committee Organization Chart dated 2091.

Sighted OSH Minutes of Meeting Doc No: FJS/OSH-01, Rev: 01 dated 22/9/2019.

- Details of the meeting are as follows.
- Date: 22/9/2020
- Venue: Bilik Mesyuarat FJPOM
- Attendance: 16 persons.
- Chairman
Mr. Ng Geok Tsong
- Vice Chairman
Mr. Ryan Raymond
Mr. Tunku Izani Arif
- Secretary
Mr. Lenord Raymond
- Employers Representatives
Mr Banaldrin Ringgah
Mr Jimmy Seli
- Employees Representative
Mr Jampi Juie
En Rosli Bolhi
Ms Felicity Anak Kusong
En Ahmaddi
- Agenda
Work place inspection
Arising matters
Closing

Sighted attendance and photographs of the said Safety meeting.

Sighted Accident & Emergency Procedure Doc No: FJS/MSPO-10.3, Rev No: 01, dated 1st Jan 2018 prepared by En Khairul Idzuan bin Mohd Sahidi.

Sighted the emergency procedure for the Mill. Emergency response plan available in local language (Malay and English). The ERP has been explained to all workers and staffs during training which has been conducted. Emergency response plan include the emergency contact number, and also have Guidelines on Accident, Emergency Procedures and Exit routes as well as assembly point in file and pasted on notice board and main office.

Felcra Jaya Samarahan Sdn Bhd has trained its employees in First Aid from various departments in the company. The company has conducted Basic First Aid in workplace and Community.

The details of the training are as follows:

- Course Title: Basic First Aid, CPR & AED in Workplace
- Course Date: 21st March 2018
- Course Venue: Felcra Jaya Samarahan Palm Oil Mill Meeting Room

List of participants for First Aid Training

No	Name Of Participants	Department
1	Mr Ng Geok Tsong	Mill Manager
2	En Roslin in Bolhi	Mechanic (Workshop)
3	Mr Luke Conahap	Wireman (Electrical)
4	En Karim bin Zen	Boilerman (Boiler)
5	Ms Felicity Kusong	Store Attendant (Store)
6	Mr Ryan Raymond	Engineer (Management)
7	Ms Stella Moriza Anak Wilfred	Chief Clerk (Management)
8	Mr Revelino Chin	Boilerman (Boiler)

Sighted JKPP 8 submitted to DOSH on annual basis. Latest submission of JKPP 8 was on 3/2/2020; No rujukkan: JKPP 8/60228/2020; Klasifikasi Industri: 15142. No accident was recorded for the year 2020.

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

Criterion 5 Employment conditions

Indicator 1 The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.

Summary Felcra Jaya Samarahan Sdn Bhd has established Social & Human Rights Policy named "Polisi Kemasyarakatan dan Hak Asasi Manusia" dated 22/6/2019 approved by Mr Liew Teen Chai, Managing Director.

The above policy was communicated to internal and external stakeholders via stakeholder meetings. The details of the said meetings are as follows

- External Stakeholders meeting
Date: 27/07/2019
Venue: Bilik Mesyuarat, Kilang Kelapa Sawit Samarahan
Time: 3.00pm
Attendance: 22 persons

- Internal Stakeholders meeting/Awareness Training
Date: 24/8/19, 16/8/19 and 8/11/19
Venue: Bilik Mesyuarat, Kilang Kelapa Sawit Samarahan
Time: 4.00pm, 5.00pm and 4.00pm respectively

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.

Summary Felcra Jaya Samarahan Sdn Bhd has established Equal Opportunity Policy named "Polisi Peluang Kesamaan" dated 22/6/2019 approved by Mr Liew Teen Chai, Managing Director.

As per interview with Mr. Ng Geok Tsong, Mill Manager and Mr. Ryan Raymond, Engineer there is no evidence to show that FJSSB is engaged in or support any discriminatory practices based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation in providing equal opportunity to the employees.

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

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

Summary The employees' salary is in accordance with the Minimum Wage Order 2020, National Wages Consultative Council Act 2011 (Act 732). The minimum wages for Kota Samarahan as per Sec 6 of the Minimum Wage Order 2020 is RM1100 as it is situated in areas other than the City Council or Municipal Council area.

Given below are some sampled pay slips of Felcra Jaya Samarahan Sdn Bhd's employees:

Name: ASK (Malaysian)
Position: Gardener
Employee No: 06-0227

December 2020		
Basis Salary		RM1219.40
Overtime		RM92.33
Holiday Pay	1 day	RM46.90
Gross Salary		RM1358.63
Deductions	Employer's Contribution	Employee Deductions
EPF	RM195.00	RM165.00

SOC SO	RM27.15	RM7.75
EIS	RM3.10	RM3.10
Total Deductions		RM175.00
Net Salary		RM1372.85

Name: WWN (Indonesian)

Position: General Worker

Employee No: 07-0498

December 2020		
Basis Salary		RM1212.90
Overtime		RM412.56
Holiday Pay	1 day	RM46.65
Gross Salary		RM1858.71
Deductions	Employer's Contribution	Employee Deductions
EPF	-	NIL
SOC SO	RM27.15	
EIS	-	
Total Deductions	NIL	
Net Salary		RM1858.71

Name: MAB (Malaysian)

Position: Boiler Fireman

Employee No: 04-0531

December 2020		
Basis Salary		RM1153.75
Overtime		RM549.47
Holiday Pay	1 day	RM46.15
Rest Day	2 days (2x)	RM184.60
Gross Salary		RM1933.97
Deductions	Employer's Contribution	Employee Deductions
EPF	RM182.00	RM154.00
SOC SO	RM34.15	RM9.75
EIS	RM3.90	RM3.90
Total Deductions		RM167.67
Net Salary		RM1766.30

The employees' salary is paid through a bank, as such the company has obtained consent from the employees to pay their salary through the bank as per Sec 111A (1)(a) of the Sarawak Labour Ordinance 1959.

Sighted Consent letter dated 10th September 2020 from En Ijas bin Dilah to the Mill Manager consenting the management to pay his salary through Bank Islam Malaysia Berhad.

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 Felcra Jaya Samarahan Sdn Bhd's Contractors employees' salary is in accordance with the Minimum Wage Order 2020, National Wages Consultative Council Act 2011 (Act 732). The minimum wages for Kota Samarahan as per Sec 6 of the Minimum Wage Order 2020 where the minimum wages rates in areas other than the City Council or Municipal Council area is RM1100 per month.

Sighted employment contract of the Contractors' employees

Given below are the details

Employee Name	Contractor	Date Join/Salary
INK Surveyor	Yong CL Engineering Sdn Bhd	5/11/2018 RM2500.00
JSJ Driver	BSSK Logistics Sdn Bhd	1/9/2018 RM1300.00
LCC Mechanic	Zhe Ming Engineering Works	1/5/2016 RM1800.00

Given below are some sampled pay slips of the CONTRACTORS' employees

Name: JSJ
Position: Driver
Employer: BSSK Logistics Sdn Bhd

December 2020		
Basis Salary		RM1300.00
Commission		RM1300.00
Gross Salary		RM2600.00
Deductions	Employer's Contribution	Employee Deductions

EPF	RM338.00	RM286.00
SOCSSO	RM44.65	RM12.75
EIS	RM5.10	RM5.10
Advance Paid	-	RM900.00
Total Deductions		RM1203.85
Net Salary		RM1396.15

Name: GM

Employer: Zhe Ming Engineering Works

December 2020		
Basis Salary		RM1976.00
Overtime		RM883.50
Work on Public Holiday		RM228.00
Work on Sunday		RM608.00
Gross Salary		RM3695.50
Deductions	Employer's Contribution	Employee Deductions
EPF	RM258.00	RM218.00
SOCSSO	RM63.85	RM18.25
EIS	RM7.30	RM7.30
Advance Paid	-	RM500.00
Total Deductions		RM743.55
Net Salary		RM2951.45

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

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

Summary Felcra Jaya Samarahan Sdn Bhd has establish an employee register as per Rule 3(a) of Labour Rules (Sarawak) 2009 which provides an accurate overview of all employees. The employee register contains full names, designation, date joint, confirmation date, gender, date of birth, I. C Number, age, a job description, wages, Annual Leave, Public Holidays, Sick Leave and the period of employment.

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 shall be made available for each and every employee indicated in the employment records.

Summary As per interview with Mr Ryan Raymond, Engineer and Mr Ng Geok Tsong, Mill Manager all employees are provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for every employee as indicated in the employee register.
All workers enjoy the pay scale as per their position, and are provided with equal housing and work facilities.

Given below are some sampled employment contracts of employees of Felcra Jaya Samarahan Sdn Bhd

1. En Surmardi bin Ruhiya
Designation: Lorry Driver
Date Joined: 1/2/2017
2. En Nor Ridwan bin Zaidi
Designation: Process Operator A
Date Joined: 1/7/2015
3. En Muhamad Aqib bin Mat
Designation: Mill Cleaner
Date Joined: 1/12/2012
4. Kasuna Hassan (Indonesian)
Designation: Store Attendant
Date Joined: 23/3/2015
5. Pigo Priono Efendi (Indonesian)
Designation: General Worker
Date Joined: 6/3/2019
6. Wishnu (Nepelese)
Designation: Security Guard
Date Joined: 20/7/2019

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 the employees and employers.

Summary Working hours is 8 hours per day from Monday to Saturday. Attendance of all employees are recorded via Thumb Print System.

Sighted (via Skype) the working hours being displayed at the notice boards at the Main Office and Supervisors rooms at the mill operations area. Given below are the working hours.

- Management/Office Staff
 - 8.00am – 5.00pm
 - Lunch Break
 - 12.00pm – 1.00pm
- Factory Staff
 - Morning Shift
 - 8.00am – 5.00pm
 - Lunch Break
 - 12.00pm – 1.00pm
 - Evening Shift
 - 4.00pm – 12.00am
 - Dinner/Supper
 - 1 hour

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

Indicator 8 The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirement applicable.

Summary Attendance of all employees are recorded via Thumb Print System.

The working hour and break time have been clearly stated in the Employment Contract and notice boards at the Main Office (Thumb Print area) and Supervisors rooms at the mill operations area which is in compliance to legal requirements. Overtime is performed on mutual agreement between the employee and employer.

Sighted overtime requisition form which is signed by the mill management and the employee who is agreeing to work overtime.

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 Employees' salary is in accordance with the Minimum Wage Order 2020, National Wages Consultative Council Act 2011 (Act 732). The Salary slips clearly shows the calculations of gross salary, all deductions and the net salary of a worker.

Given below is a sampled pay slip of Felcra Jaya Samarahan Sdn. Bhd.

- Name: ASK
- Position: Gardener
- Employee No: 06-0227

December 2020		
Basis Salary		RM1219.40
Overtime		RM92.33
Holiday Pay	1 day	RM46.90

Gross Salary		RM1358.63
Deductions	Employer's Contribution	Employee Deductions
EPF	RM195.00	RM165.00
SOCSSO	RM27.15	RM7.75
EIS	RM3.10	RM3.10
Total Deductions		RM175.00
Net Salary		RM1372.85

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

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

Summary All workers have been provided with medical and accident insurance. Productivity incentives and outturn incentive.

With regards to local workers, staffs and executives, all of them are covered under EPF & SOCSSO as required by the Malaysian Laws and Regulations. Seen the evidence that the company paid to the insurance by monthly basis.

Other form of Benefits to employees:

- Medical benefits.
- Petrol Allowance (Staff only – monthly rated employees)
- Housing Allowance – for Staff not provided with company quarters
- Target achievement incentive
- Annual bonus based on company's performance
- Annual Increment

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.

Summary Employees are provided with living quarters which are in habitable condition and provided with basic amenities. Employees are given free electricity and water supply, bed, mattress, and cupboard. Further, the employees are also given LPG Gas Cylinders (1st time), Stove and cooking utensils.

Sighted Photographs (interior & exterior) of houses provided to employee.

Given below are the sampled houses via photographs

Employee Name/Position	Type Of House	Number Of Rooms
------------------------	---------------	-----------------

Benaldin Riyadi Anak Bertram Fireman	Terrace	3 rooms
Surianto General Worker	Terrace	3 rooms
Kasuma Hassan	Terrace	3 rooms
Benaldrin Ringah Anak Bertram Foreman	Terrace	3 rooms

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

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

Summary Felcra Jaya Samarahan Sdn Bhd has established Sexual Harassment Policy named "Polisi Gangguan Sexual" dated 22nd June 2019 approved by Mr. Liew Teen Chai, Managing Director.

Further, Felcra Jaya Samarahan Sdn Bhd has established a Gender Committee to prevent all forms of sexual harassment, violence and an avenue for the employees to lodge a complaint should any Sexual Harassment occur at the workplace.

Given below are the Gender committee members

- Advisor
Mr Ng Geok Tsong
- Chairman
Ms Stella Morliza Wilfred
- Vice Chairman
Pn Noor Hashimah bt Husaini
- Secretary
Pn Nurul Izzati bt Azmi
- Treasurer
Nur Afida bte Rasidi
- Committee Members
Pn Siti Jan'nah bt Sopin
Pn Nur Audadi Thaqifah
Pn Siti Hajar bt Bujang
Pn Nur Badariah
Pn Mastura bt Saini
Pn Ropiah bt Jamali

Sighted Gender Committee Meeting Minutes dated 3/7/2020 prepared by Pn Nurul Izzati bt Azmi (Secretary), verified by Ms Stella (Chairman) and approved by Mr Ng Geok Tsong (Advisor).

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

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

Summary Felcra Jaya Samarahan Sdn Bhd has established Social & Human Rights Policy named "Pilisi Kemasyarakatan dan Hak Asasi Manusia" dated 22/6/2019 approved by Mr. Liew Teen Chai, Managing Director.

As per interview with Mr. Ng Geok Tsong, Mil manager, the management respects the right of all employees to form and to join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations.

Further, he assured the workers exercising these rights will not discriminated against or suffer any repercussions. This is clearly stated in Para 14 of the said policy.

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.

Summary Child and young person policy are incorporated in the Social & Human Rights Policy. The above policy was established on 22nd June 2019 approved by Mr. Liew Teen Chai, Managing Director.

As per interview with Mr. Ng Geok Tsong, Mill Manager, the company do not employ children/young persons below ages of 18 working. This was further proven through the checking of employee register.

This is clearly stated in Para 7 of the said Policy.

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

Criterion 6 Training and competency

Indicator 1 All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.

Summary Felcra Jaya Samarahan Sdn Bhd has established a comprehensive annual training plan dated 3rd January 2020, prepared by Mr Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager for its staffs and workers.

Given below are some sampled training conducted for the year 2020

No	Training Title	Training Date
1	MSPO & SCCS awareness training	14/8/2020
2	Introduction to Mill Safety Procedures, Dangers and Accidents in Mill	17/8/2020
3	Fire Drill, Emergency Evacuation and Fire Fighting	24/9/2020
4	Safe and Standard Operations Procedure for Biogas Captured Plant and Burner	28/8/2020
5	Environmental Awareness Talk and Zero Burning Practice	24/9/2020

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 Felcra Jaya Samarahan Sdn Bhd has established a Training Needs Analysis dated 3rd January 2020, prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager for its staffs and workers.

Training needs analysis was identified and established for each employee based on their competency needs for the mill's operations.

Yearly training needs developed based on training needs analysis for workers involved in all operations.

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

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

Summary Felcra Jaya Samarahan Sdn Bhd has established a comprehensive annual training plan dated 3rd January 2020, prepared by Mr. Ryan Raymond, Engineer and approved by Mr. Ng Geok Tsong, Mill Manager for its staffs and workers.

The has established a comprehensive annual training plan based on the workers job function. All workers involved in the operations have been adequately trained in safe working practice.

All trainings conducted were recorded in the training record file with attendance records, training materials and photographs of the training.

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 Company has established "Polisi Alam Sekitar". Dated on 22nd June 2019 which was approved by Mr. Liew Teen Chai (Director). The policy is written in Bahasa and English language.

The policy has been communicated to all workers. As evidence,

1. Polisi Alam Sekitar – Done on 13th August 2020. Attended by 64 participants. Conducted by Mr. Leonard
2. Polisi Alam Sekitar – Done on 15th September 2020. Attended by 14 participants (FFB suppliers)

Sighted the environmental impact mitigation and improvement plan year 2020 has covered processes such as Boiler, Transportation, Effluent Treatment, Construction and etc.

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 Company has established "Polisi Alam Sekitar". Dated on 22nd June 2019 which was approved by Mr. Liew Teen Chai (Director). The policy is written in Bahasa and English language.

Sighted the Environmental Aspect & Impact Analysis Kilang Kelapa Sawit Samarahan for year 2020. Prepared by Mill Engineer on 30th June 2020 and approved by Mr. Ng Geok Tsong (Mill Manager).

The environmental impact assessment has covered key Process/Area such as;

1. Station 1: FFB grading yard and Loading Ramp
2. Station 2: Sterilizer
3. Station 3: Press, Thresher & Empty bunch press station
4. Station 4: Oil Clarification Room
5. Station 5: Depicarper and Kernel Plant
6. Station 6: Boiler Station

7. Station 7: Maintenance Operation
8. Station 8: Effluent Treatment Plant & Biogas Treatment

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 Sighted Environmental Improvement Plan for Year 2020 - 2021 revised by Mr. Ryan Raymand (Mill Engineer), verified by Mr. Ng Geok Tsong (Mill Manager).

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

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

Summary The Continuous Improvement Plan for FY 2020 has been reviewed and updated by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

The program for Continual Improvement includes the following;

1. Improvement Issue: Waste reduction
2. Station: Store
3. Action Plan: Manage the scheduled waste that will be disposed for every 6 months and by the authorized contractor, improve the scheduled waste record book, improve the store of scheduled waste
4. Person-In-Charge: Store clerk/chief clerk
5. Status: On-going

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 and management plans and are working towards achieving the objectives.

Summary The training is conducted in ensuring the policy are communicated to all levels of the workforce and stakeholders. The training programme and implementation on Environmental aspects for year 2020 as follow;

- 1) Schedule Waste Training
- 2) Chemical handling training
- 3) Penerangan dan penyelenggaraan Palm Oil Mill Effluent (POME).

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 Sighted latest meeting minutes dated 09th November 2020 at Meeting Room, KKS Samarahan which involve all executive and staffs in this POM with total of 13 person.

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 FELCRA Jaya Samarahan Sdn Bhd has established the Non-Renewal & Renewable Energy Estimation Procedure. Doc No: FJS/MSPO-14; Rev 1; Date 01/01/2018. Prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

A monthly record on energy consumption for both renewable and non-renewable sources were also maintained documented. It is monitored to optimise use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel.

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

Indicator 2 Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.

Summary Kilang Kelapa Sawit Samarahan has estimation of total energy required. This estimation was compared to the actual usage by monthly. The mill conducts monitoring of fossil fuel in term of litre / MT FFB transported. Sighted mill has been maintained all the record year by year.

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

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

Summary Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement.

Apart from use of diesel for electricity, palm fibre and nut shells were also used to generate electricity through steam turbine and boiler. The mill uses by product of FFB production as renewable energy source where 16% of fibre and 3% of nut shell are extracted from FFB production.

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 FELCRA Jaya Samarahan Sdn Bhd has established the Waste Management Procedure. Doc No: FJS/MSPO-15; Rev 1; Date 01/01/2018. Prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

Sighted the identified waste by KKS Samarahan.

1. Schedule Waste
2. Domestic Waste
3. EFB
4. POME
5. Boiler Waste

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 Sighted the waste management plan year 2020 prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

Type of waste: Scheduled Waste

Item description: Lubricant

Source: Vehicles & Machinery (Tractors, Lorry,)

Action to be taken:

- Store to update inventory on spent lubricating oil every month and fill up Fifth Scheduled as per requirement by DOE
- Proper management & handling should contain:
 - i. List of scheduled waste generated
 - ii. Inventory of scheduled waste generated (monthly)
 - iii. Checklist for inventory of every SW
 - iv. Consignment note
 - v. Cleanliness of SW store

Type of waste: Domestic Waste

Item description: Rubbish

Location: Housing Quarters

Action to be taken:

- Provide adequate garbage bins and collect to dispose through Majlis Perbandaran Kota Samarahan.
- Burning of waste must be prohibited within the premises.

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

Indicator 3 The palm oil mill 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. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.

Summary FELCRA Jaya Samarahan Sdn Bhd has established the No.14 Prosedur Operasi Selamat dan Standard Untuk Pengendalian Bahan Kimia and No. 15.0 Prosedur Operasi Selamat Dan Standard Bagi Bahan Buangan Terjadual. Prepared by Mr. Ryan Raymand (Mill Engineer) on 13/02/2015 and approved by Mr. Ng Geok Tsong (Mill Manager) on 15/02/2015.

Handling of any used chemical products in the mill is under controlled and carried out by qualified person which have attended certain training.

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

Indicator 4 Domestic waste should be disposed as such to minimise the risk of contamination of the environment and watercourse.

Summary Domestic waste for linesite area is managed by disposed through Majlis Perbandaran Kota Samarahan.

Collection by twice a week (Wednesday and Saturday).

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 Identification of significant pollutants and greenhouse gas (GHG) emissions has been conducted for the followings: -

1. Land conversion,
2. N2O Emissions from peat,
3. Fuel Consumption
4. Peat Oxidation
5. Crop sequestration.
6. ETC

Summary Emission in 2020 for Kilang Kelapa Sawit Samarahan as below: -

Product	tCOe2 / t Product
CPO	1.15
PK	1.15
PKO	0.00

PKE	0.00
-----	------

The polluting activities are identified and documented in the environmental impact assessment and management plan. From the EIA, it will be evaluated for the impact and any impact will be included in the management plan.

Sighted the GHG Calculation for KKS Samarahan year 2020 using GHG Emissions Calculation Methods, ISCC 11-01-14, v1.16.

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

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

Summary Action plan to reduce significant pollutants and emissions has been established as evident in environmental impact assessment and management plan for year 2020.

Example of the action plan included as part of reducing polluting activities is by conducting frequent maintenance of all vehicles. Sighted latest maintenance records of mill vehicles.

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

Indicator 3 Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations

Summary The POM is treating POME in accordance to the DOE Limits for final discharge into the watercourse.

The POME is discharge to the drain and finally to Sg. Tuang.

Sighted the DOE approval letter for watercourse.

1. License No: 003079
2. Date: 01/07/2020 – 30/06/2021
3. JPKKS_Kuching/2018/003079A

POME is treated by ponding system (8 Ponds). Retention time is 88 days.

Verification from the documents confirms that effluent discharges are sampled on a monthly basis and founds meets the requirements set by DOE.

The final discharge of POME has been analysed by Chemsain Konsultant Sdn Bhd., reported on 17th December 2020.

Parameter	Results
pH	8.5 @26.0°C
COD	173ppm
BOD	5.6ppm
Suspended Solid	21.2ppm
Ammoniacal-N	1.73ppm
Total N	12.3ppm
Oil& Grease	3.6ppm
Total Solid	1,640ppm

Note: BOD results passed the DOE's limit.

Mill will send the First Schedule [Regulation 10 (2)] – Quarterly Return Form report quarterly to DOE. As evidence sighted Fourth Quarter (01/10/2020-31/12/2020). Ref No: 31/152/000/020.

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

Criterion 5 Natural water resources

Indicator 1 The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water).
The water management plan may include:
a) Assessment of water usage and sources.
b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.
c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc).

Summary FELCRA Jaya Samarahan Sdn Bhd has established the Water Management Plan Procedure. Doc No: FJS/MSPO-16; Rev 1; Date 01/01/2018. Prepared by Mr. Ryan Raymand (Mill Engineer) and approved by Mr. Ng Geok Tsong (Mill Manager).

Identification on water usage have been document in the water management plan. This includes consumption for domestic, boiler and processing. Summary of water consumption on POM have been reviewed.

The following sources has been identified;

- River
- Linesite - wastewater
- Palm Oil Mill Effluent (POME)

Water for mill processes is derived from the nearby river (Sg. Tuang) and pumped to raw water pond. The water will then be used as follow;

1. Not treated water will be used for FFB processing.

Treated water to executives, staffs and workers linesite is supply by Sarawak Government under Jabatan Kerja Raya.

Mill has been monitored the outgoing water/POME. As evidence, sighted the water analysis results conducted by Chemsain Konsultant Sdn Bhd once a month.

In the water management plan, water consumption activity, efficiency monitoring for domestic water use including installing of flow meter at the point where water is extracted, and water quality test have been in place.

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

Indicator 2 Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.

Summary The effluents are discharged through water courses as approved by DOE in Jadual Pematuhan.

Verification from the documents confirms that effluent discharges are sampled on a monthly basis and founds meets the requirements set by DOE.

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

2.6 Principle 6 : Best practices

Criterion 1 Mill management

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

Summary Felcra Jaya Samarahan Sdn Bhd has established Standard Operating Procedure (SOP) dated 15th February 2015 prepared by Mr Herman Leslie Linju, Engineer and approved by Mr. Ng Geok Tsong. Subsequently, the SOP was updated on 20th March 2020 approved by Mr. Ng Geok Tsong, Mill Manager.

The mill SOP which was established on 13/2/2015 and updated on 20/3/2020 describes all stages of the mill operation that includes the following:

1. Weighbridge – Reception of FFB
2. Sterilization Station
3. Threshing Station
4. Press Station
5. Kernel Station
6. Oil Room
7. Engine Room Station
8. Boiler Station
9. CPO and PKO Storage

10. Water Treatment Plant
11. POME Treatment
12. Workshop Station
13. Laboratory Station
14. Chemical Handling
15. Schedule Waste Management
16. Confine Space Station
17. Land Irrigation Area
18. Shovel Operator
19. Lockout or Tagout
20. In house (Mill) Cleaning
21. Safety at High Level Workplace
22. Additional Safety Operation
23. Outbreak Prevention Procedure

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

Indicator 2 All palm oil mills shall implement best practices.

Summary The mill is not certified by MPOB Codes of Milling Practice (CoP). However, mill has implemented Good Milling Practice (GMP) as per their own SOP's.

As evidence, the mill is operating in accordance to Jadual Pematuhan – Syarat-Syarat Lesen Premis Minyak Kelapa Sawit Mentah, Jabatan Alam Sekitar Negeri Sarawak Ref No. AS(SWK)(B):31/152/000/020.

Felcra Jaya Samarahan Sdn Bhd has implemented Bio-Gas Captured Plant by Covered Lagoon Digester to reduce release of Green House Gas into the Atmosphere by Anaerobic Digestion Process of effluent. The project started in 1st April 2019 and completed in 3rd October 2019.

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 Kilang Kelapa Sawit Samarahan has an annual budget for the financial year 2020-2022. The palm oil mill budget includes the projected FFB to be processed, CPO and PKO production for the year 2020-2022.

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 Pricing of FFB is decided by the company Head Quarters based on MPOB price (as a guide).

Pricing mechanism is depending on value of the project awarded. For high value project (more than RM10,000), the pricing is decided by the HQ management, whereas the low value project (below RM10,000) is decided by the mill management.

Sighted Contract agreement between Felcra Jaya Samarahan Sdn Bhd and its contractors with the price and terms of payment clearly spelled out.

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

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

Summary Sighted Agreement which was signed between Felcra Jaya Samarahan Sdn Bhd (FJSSB) and its respective contractors for respective services with agreed charges and terms of payment which are transparent. The agreement is duly signed by both parties signifying that both parties agree to the terms and condition in the said agreement. FJSSB has made payment as per agreed payment terms.

Given below are details of payment (sample) made by FJSSB to its contractor's

Contractor's Name	Payment Terms	Invoiced Date/Number & Amount	Payment Date /Pv No & Amount By Felcra Jaya Samarahan Sdn Bhd
Swee Jee Coastal Shipping Sdn Bhd	30 days	30/11/2020 INV NO: INV-2011-004 RM17,283.60	28/12/2020 PV 2012-069 RM17,283.60
Zhe Ming Engineering Works	30 days	14/7/2020 INV NO: INV-2008-015 RM25,574.30	10/8/2020 PV 13113-20 RM25,574.30
BSSK Transport & Services Sdn Bhd	30 days	27/10/2020 INV NO 001-20314 RM13,490.86	24/12/2020 PV NO 2011-059 RM13,490.86

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

Criterion 4 Contractor

Indicator 1 In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.

Summary

Felcra Jaya Samarahan Sdn Bhd has engaged 21 contractors in total company wide to carryout works at the palm Oil Mill.

Given below are some sampled contractors engaged by the company.

1. BSSK Transport & Services Sdn Bhd
(FFB & CPO Transporter)
2. Swee Joo Coastal Shipping Sdn Bhd
(CPO Transporter by Sea)
3. FELCRA Berhad
(FFB Supply from FELCRA Wilayah Sarawak to FJS Mill)
4. Dynamic Linkage Logistics Sdn Bhd
(Freight Forwarding and Transportation of CPO)

The contractors are aware that the Mill is undergoing MSPO Certification and have been briefed on the MSPO requirements when carrying work via letter dated 13th August 2020 as they are unable to meet the contractors due to the Covid 19 pandemic.

Further the Contract agreement between the Contractors and the Palm Oil Mill has include the special clause on MSPO compliance. (sighted through document which are uploaded in the Google Drive).

Given below are the details

Contractor	Indicator Of Special MSPO Clause In The Agreement
BSSK Transport & Services Sdn Bhd	Clause 11.8
Swee Joo Coastal Shipping Sdn Bhd	Clause 11.8
Dynamic Linkage Logistics Sdn Bhd	Clause 10.8

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

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

Summary

Sighted Contract Agreements between Felcra Jaya Samarahan Sdn Bhd and its contractors which are well documented and recorded at POM office. The said agreement was signed by Mr Toh Tau Book, Director, witnessed by Mr Loo Yuen Yen for Felcra Jaya Samarahan Sdn Bhd whereas for the contractors the agreement was signed by their respective Directors/Managers.

Given below are some sampled contract agreements signed by Felcra Jaya Samarahan Sdn Bhd and its Contractors.

Contractor	Services Provided	Agreement Validity
Dynamic Linkage Logistics Sdn Bhd	Forwarding and Transportation services to transport products from the Mill to designated refineries and bulking installation situated in East and West Malaysia	1 st January 2021 to 31 st December 2021

Swee Joo Coastal Shipping Sdn Bhd	Transportation services to transport the product from the Mill to designated refineries and bulking installations situated within East Malaysia	1 st January 2021 to 31 st December 2021
BSSK Transport & Services Sdn Bhd	Transportation services to transport the product from the Mill to designated refineries and bulking installations situated within East Malaysia	1 st January 2021 to 31 st December 2021

All the contractors were briefed on the MSPO requirements and they are aware that the mill is certified under MSPO. Therefore, the contractor has been instructed by mill management to follow the MSPO standard requirement when carrying out their work in the mill premises.

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

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

Summary The mill was audited by Global Gateway Certifications Sdn Bhd MSPO audited on 18th January 2021 – 19th January 2021. Sighted audit plan dated 07th January (4th Revised) which have been accepted address to Mr. Ng Geok Tsong, Mill Manager. 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

2.7 Details of Audit Findings

Details Non-Conformity

- See Appendix B -

Details of Area of Concern

- See Appendix B -

Details of Noteworthy / Positive Findings

- 1) The mill management has demonstrated fully commitment during the entire audit process.
- 2) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 3) Good relationship being maintained with surrounding smallholders and villages.
- 4) Good positive feedback received from internal and external stakeholders.
- 5) Interview with sampled workers revealed, the mill management impose strict control measure on safety compliances.
- 6) The storage facilities for schedule waste, chemical and POL well-constructed, proper signage clearly displayed, and emergency preparedness well implemented.
- 7) Signages throughout office, chemical area and in the field sites, effectively maintained and appropriate to the needs of the process.

Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
18 th January 2021	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Opening Meeting - Kilang Kelapa Sawit Samarahan: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Audit plan. 	MS	MAS
	09:00 – 13:00	Kilang Kelapa Sawit Samarahan: <ul style="list-style-type: none"> ➤ Document review and interviews as applicable to this audit <ul style="list-style-type: none"> • internal audits and management review; • actions taken on nonconformities identified during the previous audit; • complaints handling; • SOPs, policies, public documents, internal audit, review on complaint records production & supply chain records, FFB pricing, SEIA documents and records, payment records, workers records, training records, permits, CIP, etc; • review of any changes; • use of marks and/or any other reference to certification. <p><i>[GGC recommends every 2 hours break session]</i></p>	MS	MAS
	13:00 – 14:00	<ul style="list-style-type: none"> ➤ Lunch/Rest 	MS	MAS
	14:00 – 16:00	<ul style="list-style-type: none"> ➤ Continue document audit: <ul style="list-style-type: none"> • internal audits and management review; • actions taken on nonconformities identified during the previous audit; • complaints handling; • SOPs, policies, public documents, internal audit, review on complaint records production & supply chain records, FFB pricing, SEIA documents and records, payment records, workers records, training records, permits, CIP, etc; • review of any changes; • use of marks and/or any other reference to certification. 	MS	MAS



	16:00 – 17:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 1.	MS	MAS
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AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
19 th January 2021	08:00 – 13:00	Kilang Kelapa Sawit Samarahan: <ul style="list-style-type: none"> ➤ Continue Document review and interviews as applicable to this audit <ul style="list-style-type: none"> • internal audits and management review; • actions taken on nonconformities identified during the previous audit; • complaints handling; • SOPs, policies, public documents, internal audit, review on complaint records production & supply chain records, FFB pricing, SEIA documents and records, payment records, workers records, training records, permits, CIP, etc; • review of any changes; • use of marks and/or any other reference to certification. • <i>[GGC recommends every 2 hours break session)</i> 	MS	MAS
	13:00 – 14:00	➤ Lunch/Rest	MS	MAS
	14:00 – 14:30	➤ Verify any outstanding issues and auditor discussion.	MS	MAS
	14:30 – 15:30	<ul style="list-style-type: none"> ➤ Closing Meeting - Kilang Kelapa Sawit Samarahan: ➤ Chaired by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor ➤ End of assessment 	MS	MAS

Appendix B : Non-Conformity details

Non-Conformities Identified During This Audit

Major Nonconformities:	Non-were raised during this audit.
Minor Nonconformities:	Non-were raised during this audit.
Area of Concern:	Non-were raised during this audit.

Non-Conformities Identified During Previous Audit

Major Nonconformities:	Non-were raised during this audit.
Minor Nonconformities:	Non-were raised during this audit.
Area of Concern:	Non-were raised during this audit.

Appendix C: List of Stakeholders Contacted

Attendance List

Internal Stakeholders

- 1) Kilang Kelapa Sawit Samarahan management team and staff
- 2) Gender Committee Representatives
- 3) Male and Female workers
- 4) Workers Representatives

External Stakeholders

- 1) Contractors
- 2) Suppliers