



MSPO SUPPLY CHAIN CERTIFICATIONS AUDIT REPORT MAIN ASSESSMENT 2020

**FGV PALM INDUSTRIES
(KILANG SAWIT MEMPAGA)
Kilang Sawit Mempaga, 28600 Karak, Pahang**

**005-2020-SCCS - FGV Palm Industries - Kilang Sawit
Mempaga**

Audit date:	11 FEB 2020	
Report prepared by:	MOHD JOHARI MD KASSIM	(Lead Assessor)
Report prepared on:	09 MARCH 2020	
Certification decision by:	MOHD RIZAL MD KASSIM	(Certifier)
Certification decision on:	27 MARCH 2020	
Certifying Office		
Trans Certification International Sdn Bhd		
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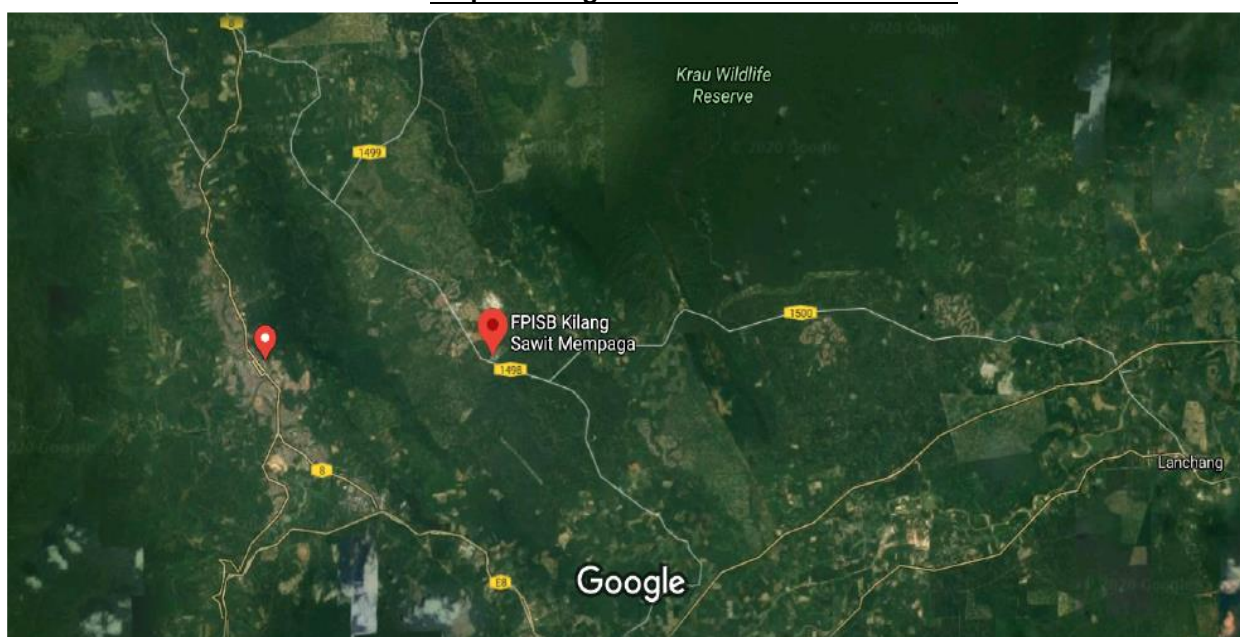
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PART 1: CERTIFIED COMPANY DETAILS

1.1 Company Details	
Name of Company	FGV PALM INDUSTRIES SDN BHD
Main Address	FGV Palm Industries Sdn Bhd, Wisma FGV, Jalan Raja Laut, 50350, Kuala Lumpur.
Management's Representative Details	
Name:	Mr. Ahmad Shahrir Ismail
Email Address:	k.mempaga@fgvholdings.com
MPOB License Details	
MPOB License's No.:	500191104000
Expiry Date:	01 April 2019 until 31 March 2020
Scope of Audit	Production of MSPO SCCS Certified Crude Palm Kernel Oil and Palm Kernel Expeller
Supply Chain Model	Mass Balance (Continuous Accounting System)
Type of Facilities	Palm Oil Mill
Product(s) included in Certification	Crude Palm Oil and Palm Kernel
Other Sustainability Certifications	RSPO SCCS

1.2 Certified Unit Details	
Name of Certified Unit	FGVPI - Kilang Sawit Mempaga
Address of Certified Unit	Kilang Sawit Mempaga, 28600 Karak, Pahang Darul Makmur
Processing Capacity	40 mt/hr
GPS Coordinate	101° 58' 49.044" N / 3° 31' 38.4888" E

Map Showing the Location of Certified Unit



Imagery ©2020 Maxar Technologies, CNES / Airbus, CNES / Airbus, Imagery ©2020 TerraMetrics, Map data ©2020 Google 2 km

1.3 Facilities included in the Scope of the Audit			
Changes since previous audit: <input type="checkbox"/>			
Outsourced companies included in the scope of the audit. <input type="checkbox"/> N/A, (if no outsourcing activity)			
Name of company	Location address	Type of Outsourced Activity	Visited
FGV Transport Sdn Bhd	Level 21, Wisma FGV, Jalan Raja Laut, 50350 WP Kuala Lumpur,	Transportation of Delivery Product	<input type="checkbox"/>

1.4 Audit Program		
List out the planning of the audit cycle for 5-years certification		
Audit Type	Year	Executed Audit date
Main Assessment	2020	11 FEB 2020
ASA1	-	-
ASA2	-	-
ASA3	-	-
ASA4	-	-
Re-assessment	-	(If applicable)

PART 2: SUMMARY OF THE REPORT AND SCOPE OF THE AUDIT

2.1 MSPO SCCS Summary Report
Summary report of the audit including a brief description of the scope of certification and supply chain model(s) used
<p>Processing of Fresh Fruit Bunch into Sustainable CPO and PK with mill's processing capacity of 40mt per hour. The production of CPO and PK is only for local export. Through site inspection, 2 storages for CPO were sighted and 1 store for PK. Storage capacity for CPO is 1200mt each and PK is 700mt. There was no external storage involved. The list of FFB supplier and buyer of CPO and PK was well maintained by the management. The deliveries of Crude Palm Oil to buyers are outsourced to FGV Transport Sdn Bhd.</p>

PART 3: MSPO CERTIFIED PRODUCTS / MASS BALANCE SAMPLE

3.1 MSPO SCCS Certified Volumes

Confirmation of the company's summary of annual certified volume of MSPO certified Palm Oil Products or Palm Derivatives over a specified period (not applicable for the first certification)

Month Sampled: Not Applicable (First Year Assessment)

Purchased

Month	Supplier	Product	Volume
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

Sold

Month	Supplier	Product	Volume
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

PART 4: BACKGROUND TO THE REPORT

4.1 MSPO Supply Chain Standard

MSPO Supply Chain Certification Standard, (MSPO SCCS-01) 2018

4.2 Certification Body

TRANS CERTIFICATION INTERNATIONAL SDN BHD

4.3 The Lead Auditor

Name	Qualifications
MOHD JOHARI MD KASSIM	LEAD AUDITOR MSPO SCCS
AINI NAZURAH MOHD ZI	TRAINEE AUDITOR MSPO SCCS
FARAH SAHANIM PADUKA	OBSERVER

4.4 The Certification Decision Management Team

Name	Qualifications
MOHD RIZAL MD KASSIM	CERTIFIER MSPO SCCS

4.5 Summary of previous certification assessments and conclusion, with recommendations or non-conformances

(Not applicable for main assessment reports)

Not Applicable

4.6 Audit Agenda		
Proposed Assessment Agenda for this Audit		
Prepared by	MOHD JOHARI MD KASSIM	
Approved by	AINI NAZURAH MOHD ZI	
Time	Activity	Auditor
09:00-09:30	Opening Meeting	JOHARI KASSIM / AINI NAZURAH
09.30-10.30	Site Visit	JOHARI KASSIM / AINI NAZURAH
10.30-11.30	Document Review – MSPO SCCS 1 Requirements for Supply Chain Management 1.1 Sustainability Policy 1.2 Management Representative 1.3 Record Keeping 1.4 Procedures 1.5 Internal Audit 1.6 Management Review	JOHARI KASSIM / AINI NAZURAH
11.30-12.00	2. Resource Management 2.1 Competency and Training	JOHARI KASSIM / AINI NAZURAH
12.00-12.30	3. Traceability	JOHARI KASSIM / AINI NAZURAH
12.30-14.00	Lunch Break	JOHARI KASSIM / AINI NAZURAH
14.00-1530	4. Supply Chain Models 4.1 Segregation 4.1.1 General 4.1.2 Requirements 4.2 Mass balance 4.2.1 General 4.2.2 Requirements 4.2.3 Continuous accounting system 4.2.4 Fixed inventory periods 5. Outsourced Activities 6. Claim 7. Complaints and Grievances 8. IT Platform	JOHARI KASSIM / AINI NAZURAH
1530-1600	Verify outstanding issue if applicable	JOHARI KASSIM / AINI NAZURAH
1600-1700	Closing Meeting	JOHARI KASSIM / AINI NAZURAH

PART 5: CLOSING MEETING

The purpose of the closing meeting is to allow the audit team to present their findings to the client, to agree dates for the completion of any corrective action required, and to establish any subsequent follow up action. The meeting is chaired by the audit team leader and wherever possible involve the same people who were present at the opening meeting.

Date of closing meeting:	11 FEB 2020
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5.1 Actions that a need to be completed prior before certification can proceed

- a) If any non-compliance was noted, then a certification decision is not possible until the client has taken steps to close out the non-compliances noted in the certification checklist.
- b) If full compliance was noted during the audit, the next step is for the checklist and audit report and any associated documentation, to be sent to the TCI MSPO SCCS Certifier, by the lead auditor. The certifier will review the documents and may refer back to either the lead auditor or to the client for further information or clarification.
- c) Once the certifier is satisfied, a positive certification will be made and a certificate is awarded and sent to the client. The MSPO SCCS Certificate is also publish within 14 days of the issuing of the certificate.

5.2 Confidentiality

TCI 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. The Audit Report and Awarded Certificate is a remains Confidential between Client and TCI, and the ownership is belonging to TCI.

PART 6: CONCLUSIONS OF THE AUDIT DETAILS

6.1 Summary of Non-Compliance (if applicable)	
NC Number:	NC-001
Date:	10 Feb 2020
Reference to standard:	MSPO Supply Chain Certification Standard, (MSPO SCCS-01) 2018
Standard requirement:	<p>7. Traceability</p> <p>7.1 The organisation shall ensure that the documents associated with transactions between the customer and supplier of the certified palm oil products shall include at least the following information:</p> <ul style="list-style-type: none"> a) The name and address of the seller/buyer; b) Product(s) identification including the applicable supply chain models (mass balance, segregation) ; c) The quantity of the products delivered; d) The loading and delivery date; e) Related transportation documentation with a unique identification number; f) MSPO certificate number; g) MSPO certificate validity.
Evidence of non-compliance:	Verified through the document check, the template for certified incoming FFB and outgoing CPO is not available at the mill.
Corrective action (to be filled by client)	Create MSPO certification template for certified incoming FFB and outgoing CPO.
Evidence of compliance: (to be filled in by certifier)	The action plan and non-compliance closed proof is sufficient and acceptable.
Status (closed if applicable)	Non-compliance is closed and will be observed in next annual surveillance.

6.2 Certification status of client
<p>Please select the applicable box, do not remove the others:</p> <p><input type="checkbox"/> Main Evaluation: All facilities included in the scope of this audit demonstrated full compliance with the MSPO SCCS.</p> <p>With effect from the certification date given below, this company and all facilities mentioned in the scope of this report are considered to be certified in accordance with the MSPO SCCS.</p> <p><input checked="" type="checkbox"/> Main Evaluation: Full compliance of all facilities in the scope of this audit with the MSPO SCCS is not yet demonstrated. Identified Non-conformities need to be closed prior to certification.</p> <p><input type="checkbox"/> Surveillance audit: All facilities included in the scope of this audit demonstrated full compliance with the MSPO SCCS. The certified status is maintained.</p> <p><input type="checkbox"/> Surveillance audit: Not all facilities included in the scope of this audit demonstrated</p>

continued compliance with the MSPO SCCS. Outstanding NC's need to be closed within 3 months from the audit date.

6.3 Certificate Details and Scope

Client number:	005-2020-SCCS-FGV Palm Industries - Kilang Sawit Mempaga
Certificate number:	MSPO SCCS-TCI-005-2020
Start date of certificate:	27 MARCH 2020
End date of certificate:	26 MARCH 2025
Date of first certification:	27 MARCH 2020
Duration of certificate:	5 Years from date of certification

PART 7: FORMAL SIGN OFF OF AUDIT FINDINGS


7.1 Signing by the Client

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in document (MSPO SCCS Report and Checklist).

I also confirm:

- Acceptance of liability in execution of the instructions given in the document and at the closing meeting.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Trans Certification International's Certifications.
- That this company was informed that until they receive written confirmation of their MSPO Supply Chain certification registration and its expiry date that they are not certified and cannot make any claims concerning certification.
- That the formal record of the closing meeting is accurate and that all agenda items were covered by the lead auditor.
- I understand the implications of non-compliance as laid out above.

Acknowledged by:

Name:	Ahmad Shahrir bin Ismail	
Position:	Sustainability Department	
Date:	23.03.2020	
		Signature

7.2 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Based on the findings during the assessment, I recommended the certification unit is:

Complies ☒

Not Complies ☐

With the MSPO SCCS, I the undersigned, being the Lead Auditor, recommend that:

Granting Certificate ☒

Continue Certification ☐

Suspend Certificate ☐

Withdraw Certificate ☐

Re-certificate ☐

For FGV Palm Industries – Kilang Sawit Mempaga

Acknowledged by:

Name: Mohd Johari MD Kassim

Position: Lead Auditor

Date: 25.03.2020



Signature

7.3 Signing by the Certifier

I the undersigned, being the Reviewer and Certifier, confirm that this report is an accurate record of the findings and recommendation by Lead Auditor. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Based on the findings during the assessment, I recommended the certification unit is:

Complies ☒

Not Complies ☐

With the MSPO SCCS, I the undersigned, being the Reviewer and Certifier, decided that:

Granting Certificate ☒

Continue Certification ☐

Suspend Certificate ☐

Withdraw Certificate ☐

Re-certificate ☐

For FGV Palm Industries – Kilang Sawit Mempaga

Acknowledged by:

Name: Mohd Rizal MD Kassim

Position: Certifier MSPO SCCS

Date: 27.03.2020



Signature