



# MSPO SUPPLY CHAIN CERTIFICATIONS AUDIT REPORT MAIN ASSESSMENT 2020

**FGV PALM INDUSTRIES SDN BHD  
(KILANG SAWIT NITAR)  
KILANG SAWIT NITAR, PETI SURAT 07, 86007 KLUANG,  
JOHOR**

**023-2020-SCCS-FGV PALM INDUSTRIES - KILANG  
SAWIT NITAR**

|  |                                 |                 |
|--|---------------------------------|-----------------|
| Audit date:  | 18 FEBRUARY 2020                |                 |
| Report prepared by:  | <b>ERMADASILA MOHAMAD</b>       | (Lead Assessor) |
| Report prepared on:  | 10 MARCH 2020                   |                 |
| Certification decision by:   | <b>MOHD RIZAL BIN MD KASSIM</b> | (Certifier)     |
| Certification decision on:   | 27 MARCH 2020                   |                 |
| <b>Certifying Office</b>   |                                 |                 |
| Trans Certification International Sdn Bhd<br>B52, Level 1, Jalan IM 3/10,<br>Bandar Indera Mahkota,<br>25200 Kuantan, Pahang<br><a href="mailto:info@transcert.com.my">info@transcert.com.my</a><br>Tel: +609-575 1333 |                                 |                 |

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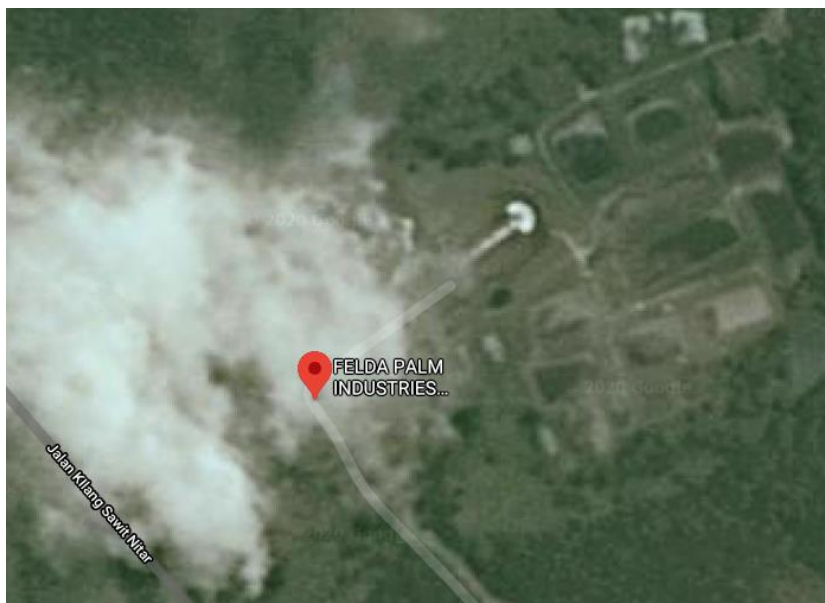
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## PART 1: CERTIFIED COMPANY DETAILS

| 1.1 Company Details                  |   |
|--------------------------------------|---|
| Name of Company                      | <b>FGV PALM INDUSTRIES SDN BHD</b>  |
| Main Address                         | FGV Palm Industries Sdn Bhd,<br>Wisma FGV, Jalan Raja Laut,<br>50350, Kuala Lumpur. |
| Management's Representative Details  |   |
| Name:                                | Ahmad Shahrir Ismail  |
| Email Address:                       | N/A   |
| MPOB License Details                 |   |
| MPOB License's No.:                  | 500169504000  |
| Expiry Date:                         | 31 March 2020   |
| Scope of Audit                       | Production of Sustainable Crude Palm Oil and Palm Kernel using Mass Balance Model   |
| Supply Chain Model                   | Mass Balance  |
| Type of Facilities                   | Palm Oil Mill   |
| Product(s) included in Certification | Crude Palm Oil and Palm Kernel  |
| Other Sustainability Certifications  | RSPO  |

| 1.2 Certified Unit Details |  |                                 |
|----------------------------|--|---------------------------------|
| Name of Certified Unit     | <b>Kilang Sawit Nitar</b>  |                                 |
| Address of Certified Unit  | <b>Kilang Sawit Nitar KM 27, Jalan Mersing-Nitar<br/>86800 Mersing, Johor.</b> |                                 |
| Processing Capacity        | <b>30 MT/hr</b>  |                                 |
| GPS Coordinate             | <b>Longitude:<br/>2°24'22"</b>   | <b>Latitude:<br/>103°39'26"</b> |

**Map Showing the Location of Certified Unit**



| 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.<br><input checked="" type="checkbox"/> N/A, (if no outsourcing activity) |                  |                             |                          |
| Name of company   | Location address | Type of Outsourced Activity | Visited                  |
|   |                  |                             | <input type="checkbox"/> |
|   |                  |                             | <input type="checkbox"/> |
|   |                  |                             | <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 | 18 February 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   |
| Processing of Fresh Fruit Bunch into CPO and PK with mill's processing capacity of 30MT per hour. The production of CPO and PK is only for local export. There were sighted four storage of CPO with capacity of 1800mt for two of the storage and 500mt for the other two of the storage. Storage of PK was available with bunker storage with capacity of 140mt and another kernel store with capacity of 500mt. There was no external storage involved. |

**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   |          |         |        |
| Purchased   |          |         |        |
| Month   | Supplier | Product | Volume |
|   |          |         |        |
|   |          |         |        |
|   |          |         |        |
| Sold  |          |         |        |
| Month   | Supplier | Product | Volume |
|   |          |         |        |
|   |          |         |        |
|   |          |         |        |

## 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   |
|--|--|
| Mr. Ermadasila Bin Mohamad<br>(Lead Auditor) | Post graduate qualification in Master in Science (MSc) by Research with 7 years working experience in Lecturer and manufacturing activities. Lecturer in Applied Science Faculty, University Teknologi Mara cawangan Pahang since 2014, expert in Biodiversity and Environmental assessment. Completed Malaysian Sustainable Palm Oil Lead Auditor course in 2017. |
| Ms. Nadiah Binti Ramli<br>(Trainee Auditor)  | Post graduate qualification in Environment Technology University Malaysia Terengganu. Involve in sustainability fields since 2018. Involve and completed in training PEFC Chain of Custody, MSPO SCCS Auditor Course, Environmental Impact Assessment, MSPO Auditor Course & etc.  |

### 4.4 The Certification Decision Management Team

| Name                         | Qualifications      |
|------------------------------|---------------------|
| Mr. Mohd Rizal Bin 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                               | Mr. Ermadasila Bin Mohamad  |                   |
| Approved by                               | Ms. Aini Nazurah Mohd Zi  |                   |
| Time                                      | Activity  | Auditor           |
| 09:00-09:30                               | Opening Meeting   | Ermadasila/Nadiah |
| 09.30-10.30                               | Site Visit  | Ermadasila/Nadiah |
| 10.30-11.30                               | <b>Document Review – MSPO SCCS</b><br><b>1 Requirements for Supply Chain Management</b><br>1.1 Sustainability Policy<br>1.2 Management Representative<br>1.3 Record Keeping<br>1.4 Procedures<br>1.5 Internal Audit<br>1.6 Management Review  | Ermadasila/Nadiah |
| 11.30-12.00                               | <b>2. Resource Management</b><br>2.1 Competency and Training  | Ermadasila/Nadiah |
| 12.00-12.30                               | <b>3. Traceability</b>  | Ermadasila/Nadiah |
| 12.30-14.00                               | Lunch Break   |                   |
| 14.00-1530                                | <b>4. Supply Chain Models</b><br>4.1 Segregation<br>4.1.1 General<br>4.1.2 Requirements<br>4.2 Mass balance<br>4.2.1 General<br>4.2.2 Requirements<br>4.2.3 Continuous accounting system<br>4.2.4 Fixed inventory periods<br><b>5. Outsourced Activities</b><br><b>6. Claim</b><br><b>7. Complaints and Grievances</b><br><b>8. IT Platform</b> | Ermadasila/Nadiah |
| 1530-1600                                 | Verify outstanding issue if applicable  | Ermadasila/Nadiah |
| 1600-1700                                 | Closing Meeting   | Ermadasila/Nadiah |

**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: | 18 FEBRUARY 2020 |
|--------------------------|------------------|

**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:   | Not Applicable |
| Date:  | Not Applicable |
| Reference to standard:                                 | Not Applicable |
| Standard requirement:                                  | Not Applicable |
| Evidence of non-compliance:                            | Not Applicable |
| Corrective action (to be filled by client)             | Not Applicable |
| Evidence of compliance: (to be filled in by certifier) | Not Applicable |
| Status (closed if applicable)                          | Not Applicable |

| 6.2 Certification status of client  |
|---|
| <p>Please select the applicable box, do not remove the others:</p> <p><input checked="" 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 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 continued compliance with the MSPO SCCS. Outstanding NC's need to be closed within 1 month from the audit date.</p> |

| 6.3 Certificate Details and Scope |                                    |
|-----------------------------------|------------------------------------|
| Client number:                    | 023-2020-SCCS                      |
| Certificate number:               | MSPO SCCS-TCI-023-2020             |
| 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.

|                         |                           |   |
|-------------------------|---------------------------|---|
| <b>Acknowledged by:</b> |                           | <br><b>Signature</b> |
| Name:                   | Ahmad Shahrir bin Ismail  |   |
| Position:               | Sustainability Department |   |
| Date:                   | 23.03.2020                |   |

**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 Nitar

|                         |                        |   |
|-------------------------|------------------------|---|
| <b>Acknowledged by:</b> |                        | <br><b>Signature</b> |
| Name:                   | Ermadasila Bin Mohamad |   |
| Position:               | Lead Auditor           |   |
| Date:                   | 25 March 2020          |   |

**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 Nitar

|                         |                              |   |
|-------------------------|------------------------------|---|
| <b>Acknowledged by:</b> |                              |  |
| Name:                   | Mr. Mohd Rizal Bin Md Kassim |   |
| Position:               | Certifier MSPO SCCS          |   |
| Date:                   | 27 March 2020                |   |
|                         |                              | <b>Signature</b>  |